SUBMIT IN TRIPLICATE.

5.	LEAS	E (	DESIGNATION AND SERIA	L NO.

OIL GAS SINGLE 8. FARM OR LEASE	TNAME nging Rock
18 TYPE OF WORK  DRILL X DEEPEN PLUG BACK 7. UNIT AGREEMENT Hail OIL GAS SINGLE 8. FARM OR LEASE I	TNAME nging Rock
B TYPE OF WELL OIL GAS SINGLE 8. FARM OR LEASE	nging Rock
B TYPE OF WELL OIL GAS SINGLE 8. FARM OR LEASE I	
014 909 1	NAME
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
WELL WELL X OTHER ZONE MULTIPLE ZONE X	
2. NAME OF OPERATOR  9. WELL NO.	'-10
Rosewood Rosewick, mo.	
3. ADDRESS OF OPERATORS  100 Crescent Court , Suite 500, Dallas TX 7520 214-871-5729	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)  11. Sec., T., R., M., O	OR BLK
at surface 2028' FSL, 2289' FEL, NW/SE Sec. 7, T12S, R24E, S.L. B. &M AND SURVEY OR AF	
At proposed prod. Zone 6, 9 6 6 4 8 Sec. 7, T12S, R2	
14. DISTANCE IN MILES AND DINESTION FROM NEAREST TOWN ON THE STATE	Utah
26.7 miles south of Bonanza, UT  15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED	Joan
LINE , FT. (Also to nearest drig. Unit line, if any)	
2,028' 658.30 40  16 DISTANCE FROM PROPOSED LOCATION 119, PROPOSED DEPTH 20, ROTARY OR CABLE TOOLS	
16. DISTANCE FROM PROPOSED LOCATION * 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS TO NEAREST WELL, DRILLING COMPLETED.	•
OR APPLIED FOR, ON THIS LEASE, FT. 2,640' 4,600' Rotary  21 ELEVATION (SHOW WHETHER DE RT. GR. etc.)  22. APPROX. DATE V	MODE WILL START
ZI. ELLYNION (ONOT THE HEALT)	-May-98
PROPOSED CASING AND CEMENT PROGRAM	
SIZE OF HOLE   SIZE OF CASING   WEIGHT PER FOOT   SETTING DEPTH   QUANTITY OF CEMENT	
11" 8 5/8" 24 300' To Surface	
7 7/8" 4 1/2" 11.6 T.D. Cmt top to cover oil shale	
Operator requests permission to drill the subject well please see the attached 10 point surface use plan. If you require additional information please contact:	
William (Bill) Ryan	5)(()(5)
350 S. 800 E. Vernal, Utah MAR 3 0 1998	
31111	12
435-789-0968 Office	4.04.24.5
435-828-0968 Cellular DIV. OF OIL, GAS & N	Marie Commence
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed is to deepen or plug back, give data on proposed productive zone and proposed ne productive zone. If proposel is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.	To A
SIGNATURE WIIIlam A. Ryan TITLE Agent DATE	3/11/98

\*See instructions on Reverse Side

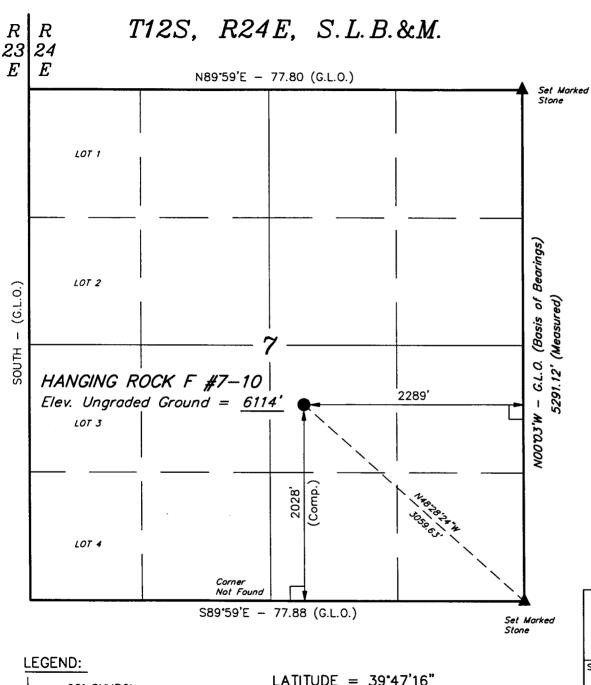
TITLE

APPROVAL DATE

PERMIT NO

CONDITIONS OF APPROVAL **Paderal Approval** of this Action is Necessary

APPROVED BY



\_\_ = 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

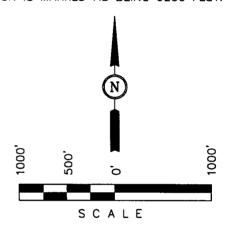
LATITUDE = 39°47'16" LONGITUDE = 109°16'18"

# ROSEWOOD RESOURCES, INC.

Well location, HANGING ROCK F #7-10, located as shown in the NW 1/4 SE 1/4 of Section 7, T12S, R24E, S.L.B.&M. Uintah County Utah.

#### BASIS OF ELEVATION

SPOT ELEVATION LOCATED IN THE SW 1/4 OF SECTION 8, T12S, R24E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE. QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6250 FEET.



#### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLATING TREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR DUNGER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF

RESTARTE CALE SUR LEYOR RESISTRATION KON YE1319.

# UINTAH ENGINEERING & LAND WEVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

SCALE 1" = 1000'		DATE SURVEYED: 01-19-98	DATE DRAWN: 02-04-98
PARTY L.D.T. D.H	D.R.B.	REFERENCES G.L.O. PLA	īT
WEATHER		FILE	
COLD		ROSEWOOD RE	SOURCES INC

APD RECEIVED: 03/30/98	API NO. ASSIGNED: 43-047-33100
WELL NAME: HANGING ROCK F 7-10 OPERATOR: ROSEWOOD RESOURCES INC CONTACT: B; // £ y 40 (435) 789-0968	
PROPOSED LOCATION:  NWSE 07 - T12S - R24E  SURFACE: 2028-FSL-2289-FEL  BOTTOM: 2028-FSL-2289-FEL  UINTAH COUNTY  WILDCAT FIELD (001)  LEASE TYPE: FED  LEASE NUMBER: UTU-66426  SURFACE OWNER: BLM  PROPOSED FORMATION: WSTC	INSPECT LOCATION BY: / / TECH REVIEW Initials Date Engineering Geology Surface
RECEIVED AND/OR REVIEWED:  Plat Bond: Federal [ State [] Fee [] (No. MT-0/027)  Potash (Y/N) N Oil Shale (Y/N) *190-5(B) Water Permit (No. kosewood Wr. Statistic 5, 49-1595) RDCC Review (Y/N) (Date:)  NA St/Fee Surf Agreement (Y/N)	LOCATION AND SITING:  R649-2-3. Unit Hanging Lock  R649-3-2. General  R649-3-3. Exception  Drilling Unit Board Cause No: Date:
COMMENTS:	
STIPULATIONS: D FEDERAL P	POROVAL
·	



OPERATOR: ROSEWOOD RESOURCES (N7510)

FIELD: WILDCAT (001)

SEC. 7, TWP. 12S, RNG. 23E,

COUNTY: UINTAH UAC: R649-2-3 HANGING ROCK UINT

T11S R23E			
T12S R23E	HANGING ROCK UNIT		
6	5	ă =	
<i>₹</i>	8	9	
ta.	17	10	

EORM 3160-STRAPENTO	STATES	FORM APPROVED
	F THE INTERIOR	Budget Bureau No. 1004-0135
\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Expires: March 31, 1993	
APR 0 6 1998   BOREAU OF EAR		5. Lease Designation and Serial No.
NAPR SUNDRY NOTICES AND REPOR	TS ON WELLS	UTU-66426
Denot use this form of dybrodosals to drill or to d	eepen or reenter a different reservoir.	6. If Indian, Allottee or Tribe Name
OF OIL, USE "APPLICATION FOR PERMI	T -" for such proposals	NA NA
W. O' CONTROL EN		
		7. If Unit or CA, Agreement Designation
SUBMIT IN TRI	PLICATE	HANGING ROCK
1. Type of Well		
		8. Well Name and No.
Oil Gas		HANGING ROCK F #7-10
Well X Well Other		9. API Well No.
2 No. of Constant		- 3. API Well No.
2. Name of Operator ROSEWOOD RESOURCES, INC.		10. Field and Pool, or Exploratory Area
3. Address and Telephone No.		
P.O. Box 1668, Vernal, UT	435-789-0414	11. County or Parish, State
4. Location of Well (Footage, Sec., T., R., M., or Survey D	escription)	
NW/SE SECTION 7, T12S, R24E		UINTAH CO., UTAH
OUTOW ADDRODDIATE DO	V() TO INDICATE NATURE OF NOT	CE PEROPT OF OTHER DATA
12. CHECK APPROPRIATE BO	X(es) TO INDICATE NATURE OF NOTI	E OF ACTION
TIPE OF SUBMISSION		
X Notice of Intent	Abandonment	X Change of Plans
A House of Men	Recompletion	New Construction
Subsequent Report	Plugging Back	Non-Routine Fracturing
	Casing Repair	Water Shut-Off
Final Abandonment Notice	Altering Casing	Conversion to Injection
<b>—</b>	Other	Dispose Water
	(Note: Report results of multiple of	completion on Well
	Completion or Recompletion Rep	
<ol> <li>Describe Proposed or Completed Operations (Clearly work. If well is directionally drilled, give subsurface loc</li> </ol>	state all pertinent details, and give pertinent of	dates, including estimated date of starting any proposed s for all markers and zones pertinent to this work.)*
work. If well is directionally drilled, give subsurface loc	ations and measured and true vertical departs	, for all markets and leaves permissions and market,
Rosewood Resources proposes to drill a	nd complete the above reference	ed location prior to 11/1/98.
Rosewood Resources proposes to drill a	nd complete the above role one	a location prior to the second
•		
COPIES: ORIG. & 2-BLM; DIV. OG&M J M	COUILLEN	
14. I hereby certify that the foregoing is true ar		
14. Thereby certify that the loregoing is true an		stant Date 04/03/98
Signed Kucy Perner	Title Administrative Assis	Jan Date O-7,00,00
(This space for Federal or State office use)		
Approved by	Title	Date
Conditions of approval, if any:		
	A THE III.	second of the United States and false fictitious or fraudulent
Title 18 U.S.C. Section 1001, makes it a crime for any person k		igency of the Office States andy raise, notitions of fraudulent
statements or representations as to any mater within its jurisdict	ion.	

## SELF-CERTIFICATION STATEMENT

The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that Rosewood Resources, Inc., is considered to be the operator of the following well.

Hanging Rock F 7-10 NW 1/4, SE 1/4, Section 7, T. 12 S., R. 24 E. Lease UTU-66426 Uintah County, Utah

Rosewood Resources, Inc., is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage is provided by Certificate of Deposit, BLM Bond #MT-0627.

William A. Ryan

Agent

**Rocky Mountain Consulting** 

350 S. 800 E.

Vernal UT 84078

435-789-0968 Office

435-828-0968 Cell

435-789-0970 Fax

# Ten Point Plan

Rosewood Resources, Inc.

Hanging Rock F 7-10 Hanging Rock Unit

Surface Location NW 1/4, SE 1/4, Section 7, T. 11 S., R. 24 E.

## 1. Surface Formation:

Green River

# 2. Estimated Formation Tops and Datum:

Formation .	Depth_	<u>Datum</u>
Green River	Surface	+6,114' G.L.
Oil Shale	500	+5,514
Wasatch	2,540	+3,574
Mesaverde formation	4,040	+2,074
T.D.	4,600	+1,514

# 3. Producing Formation Depth:

Formation objective include the Wasatch and its submembers.

# Off Set Well Information:

Off set well:	Gas Well	Hanging Rock Unit 7-6	Sec. 7, T. 12 S., R. 24 E.
	Gas Well	Hanging Rock Unit 7-8	Sec. 7, T. 12 S., R. 24 E.
	Gas Well	Oil Springs 11	Sec. 5, T. 12 S., R. 24 E.
	Gas Well	Toby 6-15	Sec. 6, T. 12 S., R. 24 E.
	Gas Well	Hanging Rock Unit 1-16	Sec. 1, T. 12 S., R. 23 E.

# 4. Proposed Casing:

Casing		Grade	Setting	Casing
Size	Weight/Ft.	& Tread	Depth	New/Used
8 5/8	24	J-55/STC	300	New
4 1/2	11.6	J-55/LTC	T.D.	New
	Size 8 5/8	8 5/8 24	Size Weight/Ft. & Tread 8 5/8 24 J-55/STC	Size         Weight/Ft.         & Tread         Depth           8 5/8         24         J-55/STC         300

# Cement Program:

Casing Size	Cement <u>Type</u>	Cement Amount	Cement Yield	Cement Weight
8 5/8	Class "G" 2% Calcium 1/4 #/sk cello flake	150 sks.+/-	1.16 cu. ft./sk	. 15.82 lbs./gal.
4 1/2	Stage 1 Class "G" 10% salt 10% gypsum 1% R-3 .4% FL-25 Stage 2	540 sks.+/-	1.44 cu. ft./sk	15.23 lbs./gal.
	Class "G" 3% salt 16% gel(Bentonite) 5# Gilsonite/sk .25#/sk Cello Flake	205 sks.+/-	3.91 cu. ft./sk.	11.0 lbs./gal.

## 5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000 psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to the minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

## 6. Mud Program:

Mud weight lbs/gal.	Viscosity Sec./Qt.	Fluid Loss MI/30 Mins.	Mud Type
Air/Clear Water		No Control	Water/Gel
Clear Water		No Control	Water/Gel
8.4-8.6	30	8-10	Water/Gel
	Air/Clear Water Clear Water	lbs/gal. Sec./Qt.  Air/Clear Water Clear Water	lbs/gal. Sec./Qt. Ml/30 Mins.  Air/Clear Water No Control Clear Water No Control

## 7. Auxiliary Equipment:

Upper Kelly cock, full opening stabbing valve, 2 1/2" choke manifold and pit level indicator.

# 8. Testing, Coring, Sampling and Logging:

Test: a)

None are anticipated.

Coring: b)

There is the possibility of sidewall coring.

Sampling: c)

Every 10' from 2000' to T.D.

d) Logging: Type

Interval

DLL/SFL W/GR and SP

T.D. to Surf. Csg

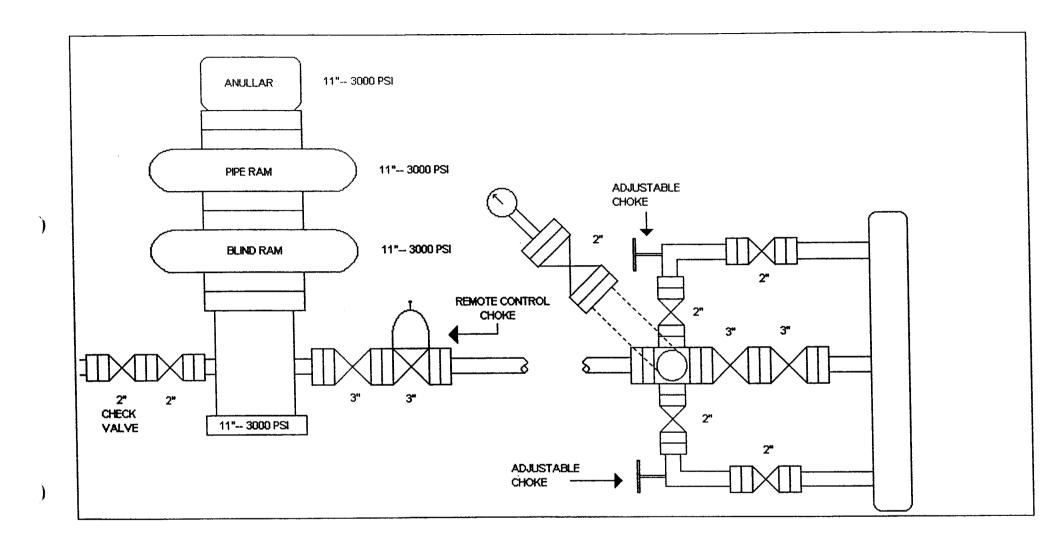
FDC/CNL W/GR and CAL T.D. to Surf. Csg

## 9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H2S.

# 10. Drilling Schedule:

The anticipated starting date is May 1, 1998. Duration of operations expected to be 30 days.



ROSEWOOD RESOURCES, INC.

13 POINT SURFACE USE PLAN

FOR WELL

**HANGING ROCK F 7-10** 

HANGING ROCK UNIT

**LOCATED IN** 

NW 1/4, SE 1/4

SECTION 7, T. 12 S., R. 24 E., U.S.B.&M.

**UINTAH COUNTY, UTAH** 

**LEASE NUMBER: UTU-66426** 

SURFACE OWNERSHIP: FEDERAL

#### 1. Existing Roads

To reach the Rosewood Resources Inc., Hanging Rock F 7-10 well location, in Section 7, T 12 S, R 24 E, from Bonanza, Utah:

Starting in Bonanza, Utah proceed south on the paved road for 4 miles. Turn south (left) on the Book cliffs road (dirt road). Proceed south 3.9 miles to the Greeks Corrals. Turn west (right) at the fork in the road. Proceed 8.3 miles to the Asphalt Wash sign. Stay to the south (left) of the sign. Proceed .7 miles to the Rainbow sign. Stay to the west (right) of the sign. This is also called the Kings Wells road. Proceed 6 miles to the cedar corrals turn south (left). Proceed 1 miles existing oil field road. Proceed on the access road .3 miles to the proposed access road.

All existing roads to the proposed location are State or County Class D roads except for the last 800 feet..

Please see the attached map for additional details.

#### 2. Planned access road

The proposed location will require approximately 800 feet of new road construction.

The road will be built to the following standards:

A)	Approximate length	800 Ft.
B)	Right of Way width	30 Ft.
C)	Running surface	18 Ft.
D)	Surfacing material	Native soil
E)	Maximum grade	5%
F)	Fence crossing	None
G)	Culvert	None
H)	Turnouts	None
I)	Major cuts and fills	None
J)	Road flagged	Yes
K)	Access road surface ownership	Federal
L)	All new construction on lease	Yes
M)	Pipe line crossing	None

Please see the attached location plat for additional details.

No right of way will be required. All surface disturbance for the road and location will be within the Unit boundary.

# 3. Location of existing wells

The following wells are located within one mile radius of the location site.

A) Producing wells						
Gas Well	7-6	Sec. 7, T. 12 S., R. 24 E.				
Gas Well	7-8	Sec. 7, T. 12 S., R. 24 E.				
Gas Well	6-15	Sec. 6, T. 12 S., R. 24 E.				
Gas Well	O.S. 11	Sec. 5, T. 12 S., R. 24 E.				
Gas Well	8-4	Sec. 8, T. 12 S., R. 24 E.				
Gas Well	17-4	Sec. 17, T. 12 S., R. 24 E.				
Gas Well	1-16	Sec. 1, T. 12 S., R. 23 E.				
D) Water wells	None					
B) Water wells	None					
C) Abandoned wells	None					
D) Temporarily abandoned wells	None					
E) Disposal wells	None					
F) Drilling/Permitted wells	12-2	Sec. 12, T. 12 S., R. 23 E.				
	12-9	Sec. 12, T. 12 S., R. 23 E.				
G) Shut in wells	None					
H) Injection wells	None					
I) Monitoring or observation wells	None					

Please see the attached map for additional details.

# 4. Location of tank batteries, production facilities, and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Juniper Green** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required **paint** color is **Juniper Green**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulations identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

A proposed surface gas line will be constructed and tie into an existing 4" line. Please see the attached location diagrams for pipe line location. There will be no additional surface disturbances required for the installation of a gathering line. The line will be a 2" or 4" steel line.

The gas meter run will be located within 500' of the well head. The gas line will be buried or anchored down from the well head to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office. All measurement facilities will conform with API and AGA standards for gas and liquid hydrocarbon measurement.

# 5. Location and type of water supply

Water for drilling and cementing the subject well will be hauled by truck from Rosewoods water station in Section 13, T11S, R23E. A second location may be used, it would be Evacuation Creek permit # 49-1595. The Evacuation Creek distribution point is in Section 7, T11S, R25E. Water for completion will come from the same supply or Vernal City.

#### 6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravels or pit lining material will be obtained from private sources.

#### 7. Methods for handling waste disposal

#### A) Pit construction and liners:

The reserve pit will be approximately 10 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

# The reserve pit will not be lined unless the pit is blasted or soil conditions would warrant a pit liner.

The reserve pit will not be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

#### B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90 day period an application for approval for a permanent disposal method and location will be submitted to the authorized officer.

#### C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized land fill location.

#### D) Sewage:

A portable chemical toilet will be supplied for human waste.

#### E) Site clean-up

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

# 8. Ancillary facilities

There are no ancillary facilities planned for at this time and none are foreseen for the future.

## 9. Well-site layout

Location dimensions are as follow:

A)	Pad length	325 ft.
B)	Pad width	155 ft.
C)	Pit depth	10 ft.
D)	Pit length	180 ft.
E)	Pit width	50 ft.
F)	Max cut	13.8 ft.
G)	Max fill	20.0 ft.
H)	Total cut yds	12,800 cu. yds.
I)	Pit location	south side
Ĵ)	Top soil location	north side
K)	Access road location	east end
L)	Flare pit	corner B

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

#### 10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The top soil will amount to approximately 1,000 cubic yards of material. The top soil will be stockpiled in one distinct piles. Placement of the top soil is noted on the attached location plat. The top soil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit backfilled the top soil from the pit area spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men.) will be recontoured

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rain fall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

# A) Seeding dates:

Seed will be spread when the top soil is stock piled and when reclamation work is performed.

The seed mix and quantity listed will be used whether the seed is broadcast or drilled.

#### Seed Mix

Four wing salt brush 4#/acre

Shad scale 2#/acre

Needle & thread grass 3#/acre

Indian rice grass 3#/acre

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the surface management agency for prescribed seed mixture and reseeding requirements.

### 11. Surface ownership:

Access road Federal

Location Federal

Pipe line Federal

#### 12. Other information

#### A) Vegetation:

The vegetation coverage is slight. The majority of the existing vegetation consists of sage brush. Rabbit brush, bitter brush and Indian rice grass are also found on the location.

#### B) Dwellings:

There are no dwellings, or other facilities within a one mile radius of the location.

## C) Archeology:

The location has not been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would effect such sites will be suspended and the discovery reported promptly to the surface management agency.

#### D) Water:

The nearest water is the Green River located 4 miles to the north.

#### E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

#### F) Notification:

a) Location construction

At least forty eight (48) hours prior to construction of location and access roads

b) Location completion

Prior to moving on the drilling rig.

c) Spud notice

At least twenty-four (24) hours prior to spudding the well.

d) Casing string and cementing

At least twenty-four (24) hours prior to running casing and cementing all casing strings.

e) BOP and related equipment tests

At least twenty-four (24) hours prior to initial pressure tests.

f) First production notice

With in five (5) business days after the new well begins, or production resumes after well has been off production for more than ninety 90 days.

#### H) Flare pit

The flare pit will be located in corner B of the reserve out side the pit fence and 100 feet from the bore hole on the **west side of the location**. All fluids will be removed from the pit within 48 hours of occurrence.

## 13. Lessees or Operator's representative and certification

#### A) Representative

Name:

William A. Ryan

Address:

Rocky Mountain Consulting

350 South, 800 East Vernal, Utah 84078 Telephone:

Office 435-789-0968 Fax 435-789-0970 Cellular 435-828-0968

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, the applicable laws, regulations, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

## B) Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by Rosewood Resources, Inc. and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date March 19, 1988

William A. Ryan

Agent

Rocky Mountain Consulting

Onsite Date:

February 11, 1998

Participant on joint inspection:

Danny Widner

Rosewood Resources, Inc.

Byron Tolman Steve Matsen Steve Strog

BLM BLM

**BLM** 

## Statement of use of Hazardous Material

No chemical(s) from the EPA's Consolidated list of Chemicals subject to Reporting Under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986. will be used, produced, transported, stored, disposed, or associated with the proposed action, No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

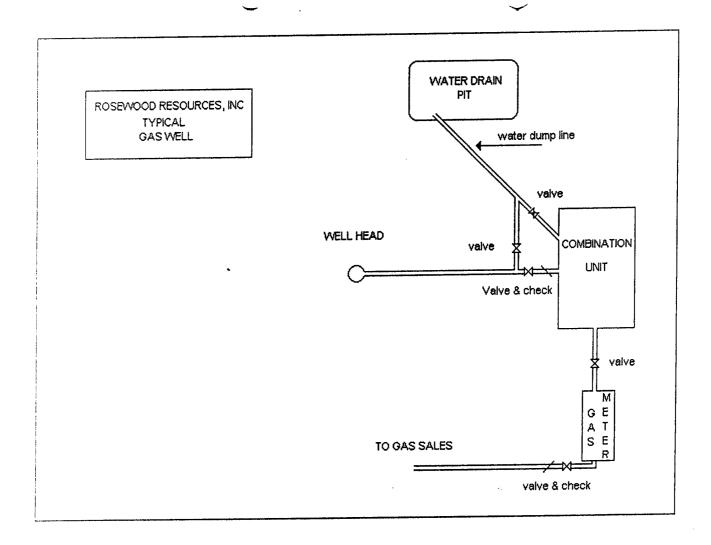
William A Ryan Agent for Rosewood Resources, Inc. Rocky Mountain Consulting 350 S. 800 E. Vernal Utah, 84078

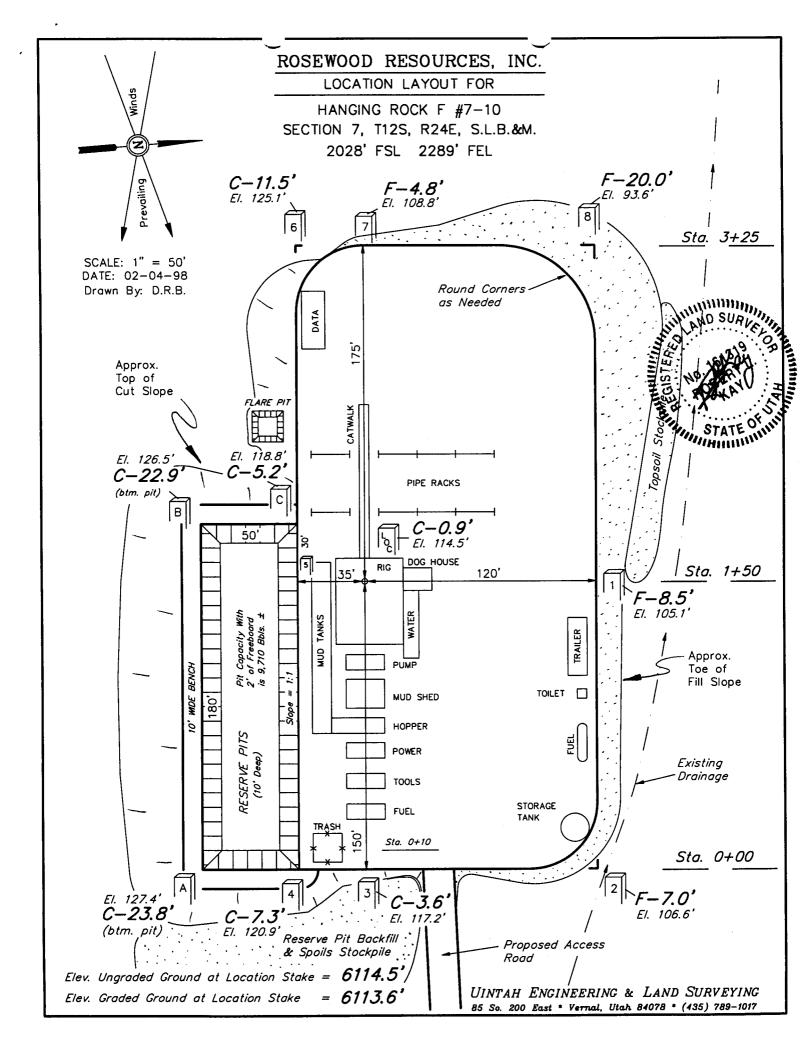
Telephone

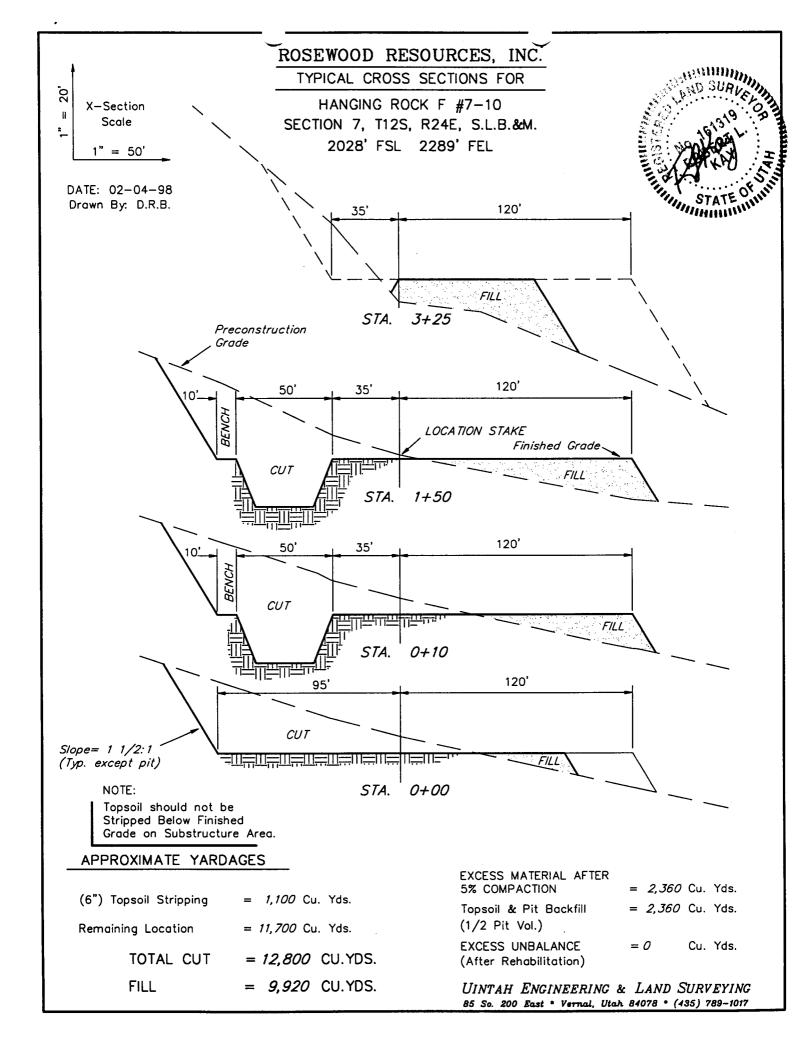
(801) 789-0968 office

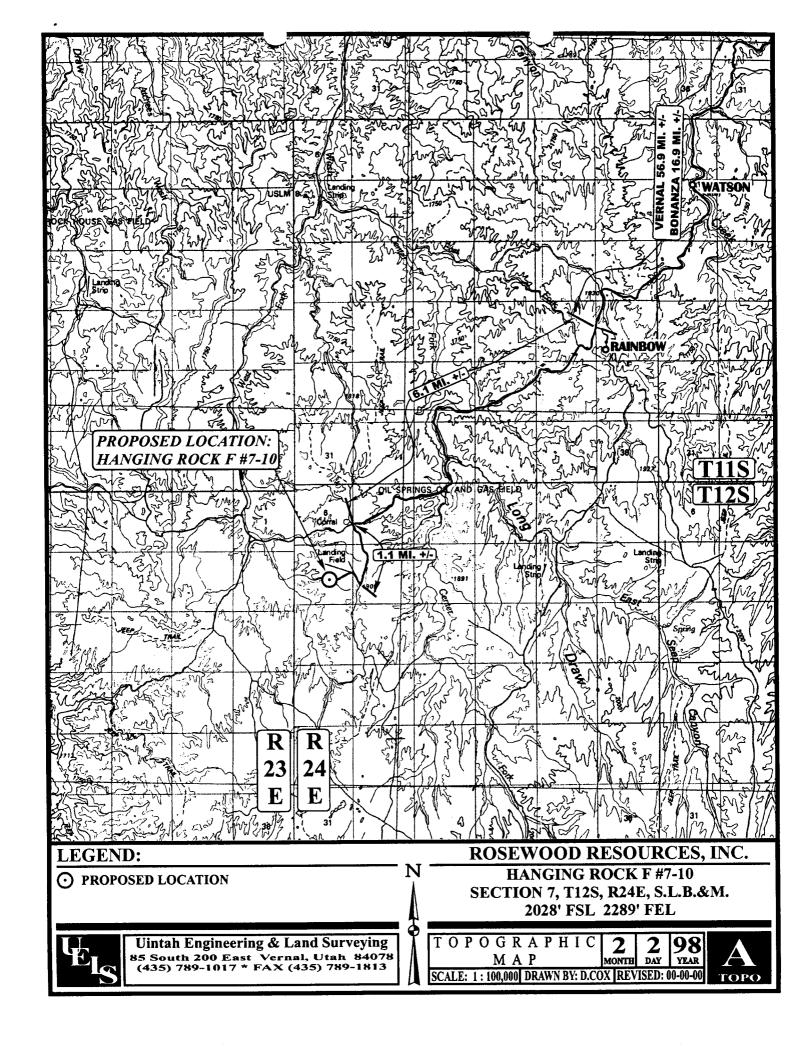
(801) 823-6152 cellular

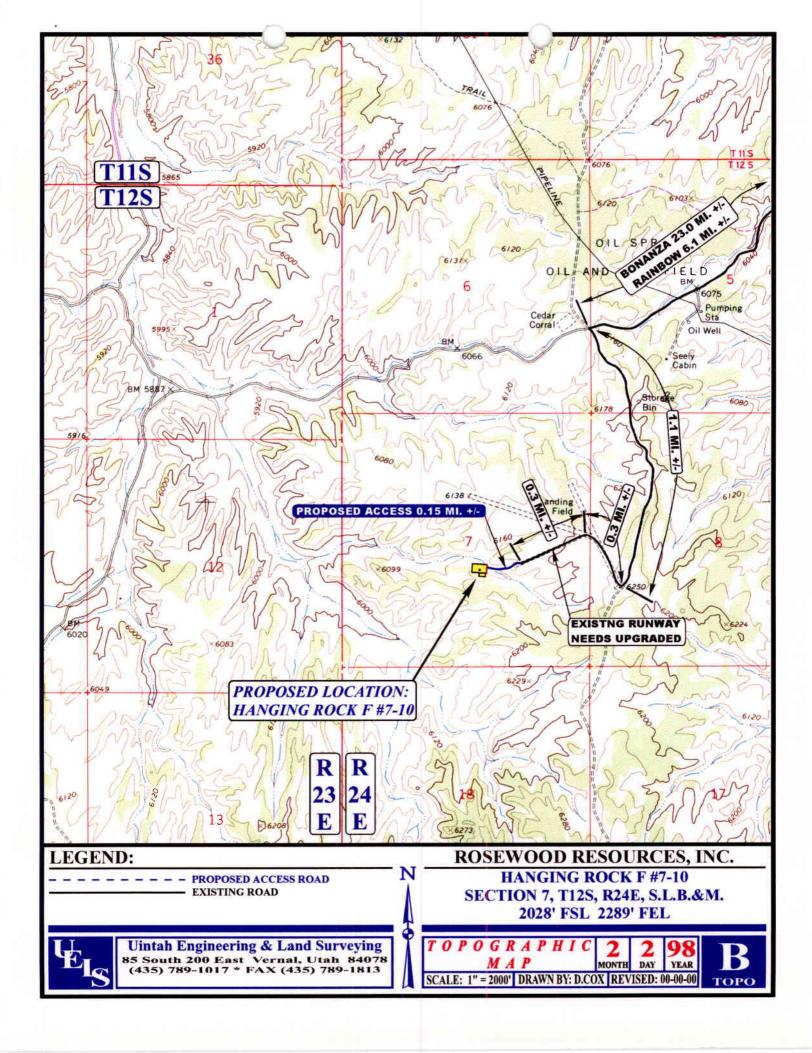
(801) 789-0970 fax

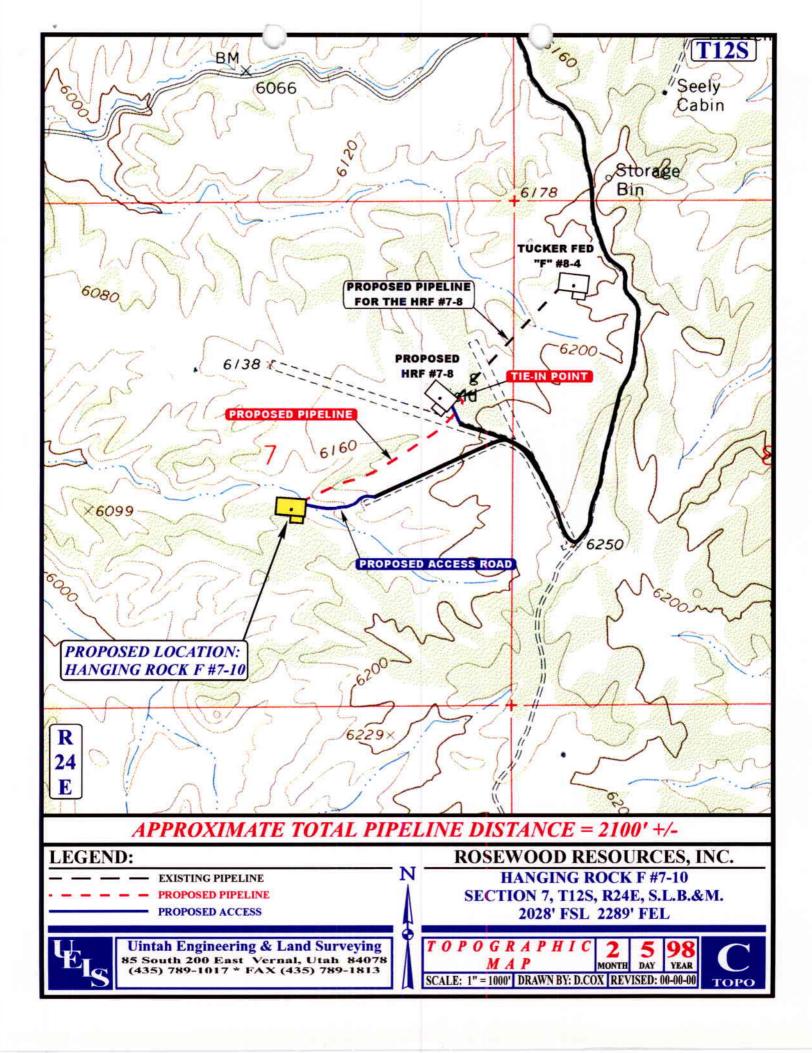












Michael O. Leavitt Ted Stewart **Executive Director** Lowell P. Braxton Division Director 801-359-3940 (Fax) 801-538-7223 (TDD)

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax)

April 9, 1998

Rosewood Resources, Inc. 100 Crescent Court, Suite 500 Dallas, Texas 75201

Hanging Rock F 7-10 Well, 2028' FSL, 2289' FEL, NW SE, Re: Sec. 7, T. 12 S., R. 24 E., Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. API identification number assigned to this well is 43-047-33100.

Sincerely,

ssociate Director

Til Hun

lwp

Enclosures

Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator: _		Rosew	rood Re	source	es, Inc.		
Well Name & 1	Number: _	Hanging Rock F 7-10					
API Number:		43-04	7-3310	00			
Lease:		UTU-6	6426	· -·			
Location:	NW SE	Sec.	7	т.	12 S.	R.	24 E.

#### Conditions of Approval

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jim Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or John R. Baza at (801)538-5334.

- 3. Reporting Requirements
  - All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.
- 4. State approval of this well does not supercede the required federal approval which must be obtained prior to drilling.

## **ED STATES** DEDARTMENT OF THE INTERIOR

16/96

BUREAU OF LAND MANAGEMENT						66426			
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK						GRACK			
	UN FUR PER	MIII IO DA	ILL, DE	EPEN, OR	PLU	G BACK	6. IF INDIAN, ALLO	OTTEE OR TH	RIBE NAME
1a TYPE OF WORK  DRILL  B TYPE OF WELL	DRILL X DEEPEN PLUG BACK					7. UNIT AGREEMENT NAME  Hanging Rock			
( I	SAS X	OTHER	SINGLE ZONE	1 1	E	x	8. FARM OR LEAS	SE NAME	
2. NAME OF OPERATOR							9. WELL NO.		
	Rosewood Res	ources, inc.					F 7-10		
3. ADDRESS OF OPERATORS  100 Crescent Court, Suite 500, Dallas TX 7520 214-871-5729						10. FIELD OR LEASE NAME			
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement) at surface 2028' FSL, 2289' FEL, NW/SE Sec. 7, T12S, R24E, S.L. B. &M							11. Sec., T., R., M., OR BLK AND SURVEY OR AREA		
At proposed prod. Zone 14. DISTANCE IN MILES AN	ID NISHAWAWA IN AND AND AND AND AND AND AND AND AND AN	DEST TOWN OF DO	ST NEELCE				Sec. 7, T12S, R24E, S.L. B. &M		
14. DISTANCE IN MILES AN			31 OFFICE				Uintah		Utah
15. DISTANCE FROM PROF	26.7 miles south of POSED LOC. TO NEARES		16. NO. OF AC	RES IN LEASE		17. NO. OF AC	RES ASSIGNED	<del></del>	Can
LINE , FT. (Also to nearest d						TO THIS V	VELL <b>40</b>		
16. DISTANCE FROM PROF	POSED LOCATION *	2,028'	19. PROPOSE	658.30 D DEPTH		20. ROTARY O	R CABLE TOOLS		
TO NEAREST WELL, DRILL	ING COMPLETED.	0.0401		4 6001			Doton		•
OR APPLIED FOR, ON THIS 21. ELEVATION (SHOW WI		2,640'	l	4,600'			Rotary 22. APPROX. DA	TE WORK WI	LL START
		6,114'						1-May-98	
		PROPOSED CA	SING AND	CEMENT PROG	RAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FO	OT SET	TING DEPTH	-		TY OF CEMENT		
7 7/8"	8 5/8" 4 1/2"	11.6		300' T.D.	<del> </del>	To Surface  Cmt top to cover oil shale			
1 110	4 1/2	11.0	_	1.0.		omit top to	00101 011 011		<del></del>
please use p	itor requests e see the atta lan. require addit	ched 10 po	oint sur	face				DEIV 23 10:	_
Willia	m (Bill) Ryan			•		EC	กเกเล	<u></u>	
350 S	. 800 E.				$\parallel\parallel\parallel$		TON A TI	속   \\	
Verna	ıl, Utah				110	( )	4 0 4000	111 //	
435-789-0968 Office						\   MAT	1 3 1998	U	
435-828-0968 Cellular							1		
DIV. OF OIL, GAS & MINING									
IN ABOVE SPACE DESCR productive zone. If proposal blowout preventer program,	l is to drill or deepen directio	M: If proposed is to de nel, give pertinent date	epen or plug be s on subsurface	ck, give data on propos location and measure	sed produc and true vi	ctive zone and pro ertical depths. Gi	oposed ne ve		
24	1/1///	li Ko	<u> </u>						
SIGNATURE	William A. Rya	n .	TITLE	Agent			DATE	3/11/98	3
( Inis space for Fe	ederal of State Office use)								
PERMIT NO.			<b>Q</b>	APPROVAL DA Assistant Fig	<sub>ATE</sub> eld Ma	ınager			
APPROVED BY CONDITIONS OF APPROV	AL, IF ANY:	Loavenge.	TITLE	Mineral F			_DATE _	5/4/	198

COAs Page 1 of 8 Well No.: Hanging Rock F 7-10

# CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Company/Operator: Rosewood Resources, Inc.
Well Name & Number: Hanging Rock F 7-10
API Number: <u>43-047-33100</u>
Lease Number: <u>U - 66426</u>
Location: NWSE Sec. 07 T.12S R. 24E

#### **NOTIFICATION REQUIREMENTS**

Location Construction - at least forty-eight (48) hours prior to construction of

location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice - at least twenty-four (24) hours prior to spudding the well.

Casing String and - at least twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and Related - at least twenty-four (24) hours prior to initiating pressure tests.

First Production - within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

COAs Page 2 of 8 Well No.: Hanging Rock F 7-10

# CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

## A. DRILLING PROGRAM

# 1. <u>Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are</u> Expected to be Encountered

Report <u>ALL</u> water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

# 2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a <a href="Mailto:3M">3M</a> system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

Well No.: Hanging Rock F 7-10

## 3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale zone, identified at 1,010 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

# 4. <u>Mud Program and Circulating Medium</u>

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

# 5 .Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

COAs Page 4 of 8
Well No.: Hanging Rock F 7-10

## 6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

<u>Immediate Report</u>: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

COAs Page 5 of 8 Well No.: Hanging Rock F 7-10

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

## 7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

COAs Page 6 of 8 Well No.: Hanging Rock F 7-10

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

The APD approval is for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman

(435) 789-7077

Petroleum Engineer

Wayne P. Bankert

(435) 789-4170

Petroleum Engineer

(435) 781-1190

Jerry Kenczka Petroleum Engineer

(435) 781-4410 **BLM FAX Machine** 

## EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

COAs Page 8 of 8 Well No.: Hanging Rock F 7-10

### SURFACE USE PROGRAM

-Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: <u>Surface Operating Standards for Oil and Gas Exploration and Development, (1989).</u>

- -The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, and crowning (2 to 3%). Graveling or capping the roadbed will be required as necessary to provide a well constructed safe road. Prior to construction/upgrading, the proposed road surface or existing road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Should mud holes develop, they shall be filled in to prevent detours. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. When snow is removed from the road during the winter months, the snow should be pushed outside of the burrow ditches and the turn outs should be kept clear so that when the snow melts the water will be channeled away from the road.
- -The operator shall control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- -Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs).
- -The location topsoil pile shall be seeded immediately after the soil is piled by broadcasting the seed mix identified in the APD, then walking the topsoil pile with the dozer to plant the seed.
- -Once the reserve pit is dry, it shall be filled, recontoured, topsoil spread, and seeded in the same manner discussed above.
- -No construction or drilling shall be conducted during the critical mule deer winter season (Nov. 1 to Mar. 31). If the well becomes a producing well, a gate should be installed at the end of the runway area which could be locked during the critical deer winter season. Access would not be denied for well operation, but only to the general public. The gate should be cooperatively signed by Rosewood Resources and BLM explaining the reason for the road closure.

ADDRESS P.O. Box 1668

Vernal, UT 84078

	ENTITY NO.	ENTITY NO.	1				MELL 1	LOCATION	ı	SPUO	EFFECTIVE
			<del></del>		QQ	SC	TP	RG	COUNTY	DATE	DATE
В	99999	1/2400	4304733100	HANGING ROCK Fed 17-10	NWSE	7	12S	D047	Uintah	<b>16/</b> 18/98	6/18/98
WELL 1 C	MHENTS:		C 1.1	11 // 11 70 77 99	MASE	' /	11.25	RZAE	o znedn	101×101 70	40/10/90
Add to	Hanging	Rock Uni	t Entity	HANGING ROCK Fed I 17-10 Added / non P.A. J-7-98	•				··		:
WELL 2 C	OMMETITS:				<u> </u>	·	<del></del>	<u> </u>		<u> </u>	<u> </u>
						· · · · · · · · · · · · · · · · · · ·	<b>.</b>	<b>,</b>			•
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			on back of form)	-					<i>A</i>		

A - Establish new entity for new well (single well only)

B - Add new well to existing entity (group or unit well)

C - Re-assign well from one existing entity to another existing entity

0 - Re-assign well from one existing entity to a new entity

E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Lucy Vena

Admin. Assistant

7/2/98

Pliane No. (435) 789-0414

435-789-0497

U ED STATES (June 1990)  DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT  SUNDRY NOTICES AND REPORTS ON WELLS  Do not use this form for proposals to drill or to deepen or reenter a different reservoir.  Use "APPLICATION FOR PERMIT -" for such proposals			FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993  5. Lease Designation and Serial No. UTU-66426  6. If Indian, Allottee or Tribe Name NA		
	SUBMIT IN TRI	PLICATE	7. If Unit or CA, Agreement Designation HANGING ROCK		
1. Type of Well Oil Well	Gas X Well Other		8. Well Name and No.  HANGING ROCK F #7-10  9. API Well No.  43-047-33100		
3. Address and	OD RESOURCES, INC. Telephone No.	435-789-0414	10. Field and Pool, or Exploratory Area  11. County or Parish, State		
4. Location of W	1668, Vernal, UT /ell (Footage, Sec., T., R., M., or Survey Desc ECTION 7, T12S, R24E	cription)	UINTAH CO., UTAH		
12.	CHECK APPROPRIATE BOX	((es) TO INDICATE NATURE OF NOTI	CE, REPORT, OR OTHER DATA		
	YPE OF SUBMISSION	TYP	E OF ACTION		
	Notice of Intent  Subsequent Report  Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing X Other SPUD	Change of Plans  New Construction  Non-Routine Fracturing  Water Shut-Off  Conversion to Injection  Dispose Water		
		(Note: Report results of multiple co			
work. If well Operator	is directionally drilled, give subsurface location	vell was spud on 6/18/98 @ 4:00 e casing.)	, including estimated date of starting any proposed		
COPIES	ORIG. & 2-BLM: DIV. OG&M J M	ICQUILLEN			

Title

Title Administrative Assistant

Date 07/02/98

Date

14. I hereby certify that the foregoing is true and correct

(This space for Federal or State office use)

Conditions of approval, if any:

Signed

Approved by

CUM

#### DAILY DRILLING REPORT

LEASE: HANGING ROCK DATE: 6/20/98 CURRENT DEPTH 534' WELL: #7-10 PROPOSED TD FOOTAGE PAST 24 HRS PRESENT OPERATION: WAIT ON ROTARY TOOLS D.WIDNER ENGINEER CONSULTANT D. KULLAND FROM TO **ACTIVITY PAST 24 HRS:** MIRU BILL MARTIN JR. RATHOLE RIG & SPUD WELL @ 4:00 PM 6-18-98 DRILL 530' 12 1/4" HOLE LD DP RIH W/ 13 JTS 9 5/8" 36# J-55 STC CSG. SET @ 520' GL R/U HES. MIX & PUMP 300sx PREMIUM CEMENT W/ 2% CaCl & .25#/sk CELLO-FLAKE HAD GOOD RETURNS & CEMENTED TO SURFACE! DAILY COSTS: **MUD PROPERTIES: FOOTAGE** 14992 % OIL Ca+ WT VIS %SAND cake DAYWORK %SOLID LOCATION WL pН DAILY MUD COST MUD HTHP ALK CUM. MUD COST **RIG MOVE** PV CI-**SURVEYOR** YP LOGGING **HYDRAULICS:** MUD LOG **PUMP DATA:** 6542 CEMENTING 2 **FISHING** WOB MAKE Omega Emsco 400 MODEL 750 500 **RPM** WATER WELLHEAD **GPM** 8X6.5 7X6 LINER **CSG CREW** SPM **RENTALS** PSI 6765 **CASING** 1000 SUPERVISION **SURVEY DATA:** BIT RECORD: **CASING HEAD** 2 DEPTH **DEGREES** 1 Bit # 29699 **TOTAL DAILY** Ser# **COST FORWARD** 0 Size 29699 **CUM.TO DATE** Make Type Jets **ADDITIONAL COMMENTS:** In @ Out @ Feet Hrs FtHr

FORM 3160-5 (June 1990)		STATES OF THE INTERIOR	FORM APPROVED Budget Bureau No. 1004-0136	
(Julie 1990)	_ <del></del>	ID MANAGEMENT	Expires: March 31, 1993	
			5. Lease Designation and Serial No.	
;	SUNDRY NOTICES AND REPOR	TS ON WELLS	UTU-66426	
Do not use	e this form for proposals to drill or to d	leepen or reenter a different reservoir.	6. If Indian, Allottee or Tribe Name	
	Use "APPLICATION FOR PERMI	T -" for such proposals	NA	
			7. If Unit or CA, Agreement Designation	
	SUBMIT IN TRI	PLICATE	HANGING ROCK	
1. Type of Well			8. Well Name and No.	
Off	Gas		HANGING ROCK F #7-10	
Well	X Well Other		9. API Well No.	
2. Name of Oper	rator		43-047-33100	
•	OD RESOURCES, INC.		10. Field and Pool, or Exploratory Area	
3. Address and	Telephone No.			
	1668, Vernal, UT	435-789-0414	11. County or Parish, State	
	/ell (Footage, Sec., T., R., M., or Survey Desc ECTION 7, T12S, R24E	cription)	UINTAH CO., UTAH	
12.	CHECK APPROPRIATE BOX	((es) TO INDICATE NATURE OF NOTI	CE, REPORT, OR OTHER DATA	
T	YPE OF SUBMISSION	TYPI	OF ACTION	
work. If well in WEEKLY CSG. CA	is directionally drilled, give subsurface location STATUS - RU CAZA RIG #56	ons and measured and true vertical depths for a 6/21/98; DRILLED TO TD @ 460 OP.M. 6/26/98. SEE ATTACHE	including estimated date of starting any proposed if markers and zones pertinent to this work.)*  O'; RAN AND CEMENTED 4-1/2"  O RIG REPORTS.	
COPIES: ORIG. & 2-BLM; DIV. OG&M J MCQUILLEN  DECEIVE  JUL 10 1998  DIV. OF OIL, GAS & MINING				
	certify that the foregoing is true an		ant Date 07/02/98	
Signed	My Teme	Title Administrative Assist	ant Date 0//02/98	
(This space for Approved by	or Federal or State office use)	Title	Date	
• •	approval, if any:	, me		
	· · · · · · · · · · · · · · · · · · ·			

LEASE: HANGING ROCK

### DAILY DRILLING REPORT

CURRENT DEPTH 530

WELL:	#7	7-10						PROPOSED TD	4600'
							FC	OOTAGE PAST 24 HRS	0
PRESE	NT OPER	ATION:	DRILLI	NG CEM	ENT			ENGINEER	D.WIDNER
								CONSULTANT	BO SHERMAN
FROM	то				ACTIVI	TY PAST 24 HRS:			
700	1900	RIG UP C	AZA RIG#	56					
1900	2130	NIPPLE U	Р						
2130	200	PRESSUR	RE TEST B	OPS					
200	230	INSTALL	WEAR RIN	G					
230	415	PICK UP	ВНА						
415	600	DRILLING	CEMENT	AND SHOE					
					. <u></u>				
		PRESSUR	RE TEST P	IPE RAMS,	BLIND RA	MS, CHOKE MANIF	OLD,		
		KILL VALV	/E, UPPER	KELLY VA	LVE, FLO	OR VALVE 3000 PSI	I 10 MIN.		
		PRESSUR	RE TEST A	NNULAR 15	500 PSI 10	MIN, PRESSURE T	TEST CASING 15	00 PSI 1500 30 MIN.	
		<u> </u>				·			··
		1							
MUD PRO	PERTIES:	_		_				DAILY	COSTS:
WT	WATER	% OIL		Ca+				FOOTAGE	
VIS		%SAND		cake				DAYWORK	
WL		%SOLID		pН				LOCATION	
HTHP		ALK			DAI	LY MUD COST		MUD	
PV		C⊦		]	CU	M. MUD COST		RIG MOVE	
ΥP				_			<del></del>	SURVEYOR	
		-						LOGGING	
PUMP DA	TA:				HYDRA	ULICS:		MUD LOG	
	1	2	7					CEMENTING	
MAKE	Omega	Emsco	1		WOB	5000		FISHING	
MODEL	750	500	1		RPM	57/105		WATER	
LINER	8X6.5	7X6	1		GPM	350		WELLHEAD	
SPM	108		1			<u> </u>		CSG CREW	
PSI	700		1					RENTALS	450
	<u> </u>	· · · · · · · · · · · · · · · · · · ·						CASING	
BIT RECO	ORD:	•		SURVEY	DATA:			SUPERVISION	500
								CASING HEAD	
Bit #	1	2	1	DEPTH	DEGRE	ES			
Ser#	UO9902		1		T	$\neg$		TOTAL DAILY	950
Size	7 7/8		İ		1	7		COST FORWARD	29699
Vake	REED		İ		1	ヿ		CUM.TO DATE	30649
туре	HP53A		1		1	ヿ		<u> </u>	
i ype Jets	3X16		Ī			7			
	530			-	1	ADDI	ITIONAL COMM	ENTS:	
in @ ○.+ <b></b>	330		ł		+	-		<del>-</del>	
Out @			{	<b>-</b>	+	-			
Feet	<u> </u>				+	-			
Hrs					1	-			
Ft/Hr	L		1	L	<u> 1 </u>				

DATE: 6/22/98

ZZI

Grade

#### DAILY DRILLING REPORT

LEASE: HANGING ROCK DATE: 6/23/98 CURRENT DEPTH WELL: #7-10 PROPOSED TD 4600 **FOOTAGE PAST 24 HRS** 2110 PRESENT OPERATION: DRILLING **D.WIDNER** ENGINEER CONSULTANT **BO SHERMAN** FROM TO **ACTIVITY PAST 24 HRS:** 600 630 INSTALL ROTATING HEAD 945 630 DRILLING 530' TO 873' SERVICE RIG FUNCTION TEST BOP'S 945 1000 DRILLING 873' TO 997' 1000 1100 1100 1130 WIRE LINE SURVEY 997 1130 1445 DRILLING 997' TO 1420' 1445 1700 TRIP FOR BIT 1700 1745 DRILLING 1420' TO 1488' 1745 1800 WIRE LINE SURVEY 1488' 2200 1800 DRILLING 1488' TO 2015' 2200 2230 RIG SERVICE WIRE LINE SURVEY 2015' 400 2230 DRILLING 2015' TO 2511' 415 400 WIRE LINE SURVEY @ 2511' 415 600 DRILLING 2511' TO 2640' **MUD PROPERTIES:** DAILY COSTS: WT % OIL 38191 8.7 Ca+ **FOOTAGE** VIS 35 %SAND cake 2/32 DAYWORK WL %SOLID pН 10 LOCATION HTHP DAILY MUD COST 21 ALK MUD CUM. MUD COST 21 PV CI-**RIG MOVE** YP SURVEYOR LOGGING **PUMP DATA:** HYDRAULICS: MUD LOG 500 2 CEMENTING MAKE Omega Emsco **WOB** 15/20 **FISHING** 2130 MODEL 500 **RPM** 57/105 WATER LINER 8X6.5 7X6 **GPM** 350 WELLHEAD SPM 108 **CSG CREW** 450 **RENTALS** PSI 600/800 CASING 500 SUPERVISION BIT RECORD: **SURVEY DATA: CASING HEAD** DEPTH DEGREES Bit # 2 41792 **TOTAL DAILY** UO9902 5984792 997 3/4 Ser# 30649 1488 3/4 **COST FORWARD** 7 7/8 7 7/8 Size 72441 2015 1/4 **CUM.TO DATE** REED SEC Make 2511 1/4 HP53A FM2565 Type 3x12/4x13 Jets 3X16 **ADDITIONAL COMMENTS:** 1420 In @ NO SHOWS 1420 Out @ TOP WASATCH 2570' 1220 923 Feet 12 7 1/2 Hrs 123 101 Ft/Hr 19 CUM 7

3180

48 1/4

65.9

55 1/4

Feet

Hrs

**FVHr** 

CUM

### **DAILY DRILLING REPORT**

LEASE: HANGING ROCK DATE: 6/25/98 CURRENT DEPTH 4600' TD WELL: #7-10 PROPOSED TD 4600'TD **FOOTAGE PAST 24 HRS** 560' PRESENT OPERATION: RIG UP SCHLUMBERGER TO LOG **ENGINEER D.WIDNER** CONSULTANT **BO SHERMAN** TO FROM **ACTIVITY PAST 24 HRS:** 600 1330 DRILLING 4040' TO 4409' 1330 1400 SERVICE RIG (FUNCTION TEST BOP'S) 1400 1730 **DRILLING 4409' TO 4600'** 1730 1830 CIRC. AND CONDITION FOR LOGS 1830 1930 SHORT TRIP 10 STDS (4000') 1940 UNITS TRIP GAS 230 CIRC.(RAISE MUD WT FROM 9.9 TO 10.4) 1930 530 230 TRIP OUT FOR LOGS 600 530 RIG UP SCHLUMBERGER TO LOG **MUD PROPERTIES:** DAILY COSTS: WT 10.4 % OIL 0 Ca+ 40 **FOOTAGE** 10136 VIS 50 %SAND TR 2/32 cake **DAYWORK** WL 7.8 %SOLID 10.6 рH 9.5 LOCATION HTHP **ALK** .6 **DAILY MUD COST** 1448 1448 MUD CUM. MUD COST PV 14 CI-1200 3835 **RIG MOVE** 6 YP **SURVEYOR** LOGGING PUMP DATA: **HYDRAULICS:** 500 MUD LOG 2 CEMENTING 1 MAKE Omega Emsco **WOB** 15/20 **FISHING** MODEL 500 **RPM** 3421 540 750 WATER LINER 8X6.5 7X6 **GPM** 342 WELLHEAD SPM 106 **CSG CREW** 900/1200 450 PSI **RENTALS CASING** BIT RECORD: **SURVEY DATA:** SUPERVISION 500 CASING HEAD 2 **DEPTH DEGREES** Bit # 5984792 **TOTAL DAILY** 13574 Ser# **COST FORWARD** 101597 Size 7 7/8 **CUM.TO DATE** 115171 SEC Make FM2565 Type Jets 3x12/4x13 In @ 1420 **ADDITIONAL COMMENTS:** Out @ 4600 SHOW #15 4304' TO 4318' UNITS 1260

SHOW #16 4352' TO 4370' UNITS 510

MESAVERDE TOP 4092'

TRIP GAS 1940' UNITS

**LEASE: HANGING ROCK** 

#### DAILY DRILLING REPORT

4600' TD

**CURRENT DEPTH** 

WELL: #7-10 4600'TD PROPOSED TD **FOOTAGE PAST 24 HRS** 0 PRESENT OPERATION: LAY DOWN DRILL COLLARS ENGINEER **D.WIDNER** CONSULTANT **BO SHERMAN** FROM TO **ACTIVITY PAST 24 HRS:** 600 900 TRY TO LOG SCHLUMBERGER (LOGS STOPED 2728') 1230 900 TRIP IN (BRIDGES FROM 2200' TO 2400' - 2600' TO 3200') 1430 1230 CIRC. AND CONDITION 1700 1430 TRIP OUT 1700 2115 LOGGING WITH SCHLUMBERGER 2115 2345 TRIP IN 200 2345 CIRC. AND CONDITION TO RUN 41/2" CASING 200 lecco LAY DOWN DRILL PIPE AND DRILL COLLARS STRAP 4597 LOGGERS DEPTH 4697 DRILLERS TALLY 4600 **DAILY COSTS: MUD PROPERTIES:** 10.5 % OIL **FOOTAGE** WT 0 Ca+ 40 3538 VIS 50 %SAND TR cake 2/32 DAYWORK WL 7.6 %SOLID 15.5 LOCATION pН HTHP **ALK** .4 DAILY MUD COST 2862 MUD 800 6697 **CUM. MUD COST** PV 25 CH **RIG MOVE** YP SURVEYOR 18 LOGGING 17742 500 **HYDRAULICS:** MUD LOG **PUMP DATA:** 2 CEMENTING MAKE WOB **FISHING** Omega Emsco 540 **RPM** WATER MODEL 750 500 7X6 **GPM** WELLHEAD LINER 8X6.5 **CSG CREW** SPM 106 PSI 900 RENTALS 450 **CASING** 500 BIT RECORD: **SURVEY DATA:** SUPERVISION **CASING HEAD** DEPTH DEGREES Bit # 2 23270 3RR **TOTAL DAILY** Ser# 703179 115171 **COST FORWARD** Size 138441 **CUM.TO DATE** 7 7/8 Make Type SEC Jets 18C **ADDITIONAL COMMENTS:** in @ **OPEN** CLEAN OUT RUN 1040 UNITS TRIP GAS Out 2 Feet Hrs **Ft/Hr** CUM Grade

DATE:

6/26/98

### DAILY DRILLING REPORT

DATE: 6/27/98 CURRENT DEPTH 4600° TD LEASE: HANGING ROCK PROPOSED TD 4600TD WELL: #7-10 FOOTAGE PAST 24 HRS 0 PRESENT OPERATION: RIG DOWN (MOVING TO HR #12-9) D.WIDNER ENGINEER CONSULTANT **BO SHERMAN ACTIVITY PAST 24 HRS: FROM** TO 1000 600 RIG UP AND RAN 4 1/2" CASING 1000 1100 CIRC. 1230 CEMENT WITH HALIBURTON 1100 NIPPLE DOWN AND SET SLIPS 1230 1530 1530 1800 CLEAN MUD TANKS RIG RELEASED 1800' 6-26-98 RAN 107 JTS J55 4 1/2" 11.60 CASING SHOE .78 MAKER JT #58 39.80 SET @ 2478' SHOE JT 42.96 JT COLLAR.60 106 JTS 4543.81 TOTAL 4588.15 PUMP 10 BBLS DYE WATER, 10 BBLS MUD FLUSH, 10 BBLS FRESH H20 295 SKS HALIBURTON LIGHT (FX 1 + .2% MICROBOND + 3% SALT 12.4 (LEAD) 107 BBLS PUMP 450 SKS PRE G (AG) CEMENT WITH .3% CFR .3 + .25 SK FLOCELE + .5% HALAD .9 +2% GEL 2% MICROBOND, RETURN 7 BBLS CEMENT TO PIT, BUMP PLUG, FLOAT OK DAILY COSTS: **MUD PROPERTIES:** 3396 **FOOTAGE** WT % OIL Ca+ DAYWORK VIS %SAND cake LOCATION %SOLID pН WL DAILY MUD COST MUD HTHP ALK **CUM. MUD COST RIG MOVE** CI-PV SURVEYOR YP LOGGING 500 MUD LOG **HYDRAULICS: PUMP DATA:** 14204 CEMENTING 2 1 **FISHING** WOB MAKE Emsco Omega WATER **RPM** MODEL 500 750 WELLHEAD **GPM** LINER 8X6.5 7X6 6262 **CSG CREW** SPM 450 **RENTALS** PSI 21977 CASING 500 SUPERVISION **SURVEY DATA:** BIT RECORD: 1297 **CASING HEAD** DEPTH DEGREES 2 Bit # 1 48564 **TOTAL DAILY** Ser# 138441 **COST FORWARD** Size 187005 **CUM.TO DATE** Make Type **Jets ADDITIONAL COMMENTS:** In @ Out @ Feet Hrs **Ft/Hr** CUM Grade

FORM 3160-5 (June 1990)

### **UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT**

**FORM APPROVED** Budget Bureau No. 1004-0135 Expires: March 31, 1993

### 5. Lease Designation and Serial No.

6. If Indian, Allottee or Tribe Name

U.	U-66426

Do not use this form for proposals to drill or to deepen or reenter a different reservoir. Use "APPLICATION FOR PERMIT -" for such proposals

**SUNDRY NOTICES AND REPORTS ON WELLS** 

Future production will be reported on MMS-3160 monthly report.

NA

SUBMIT IN TRI	PLICATE	7. If Unit or CA, Agreement Designation HANGING ROCK
1. Type of Weil		
		8. Well Name and No.
Well X Well Other		HANGING ROCK F #7-10
		9. API Well No.
2. Name of Operator		43-047-33100
ROSEWOOD RESOURCES, INC.		10. Field and Pool, or Exploratory Area
3. Address and Telephone No. P.O. Box 1668, Vernal, UT	435-789-0414	11. County or Parish, State
4. Location of Well (Footage, Sec., T., R., M., or Survey D	····	11. County of Patistr, State
NW/SE SECTION 7, T12S, R24E	rescription)	UINTAH CO., UTAH
12. CHECK APPROPRIATE BO	X(es) TO INDICATE NATURE OF NO	OTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION		YPE OF ACTION
Notice of Intent  X Subsequent Report  Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing X Other WEEKLY (Note: Report results of multiple Completion or Recompletion Faster all pertinent details, and give pertinent details, and give pertinent details.	
work. If well is directionally drilled, give subsurface loc  Operator reports the above well was place Initial 24 hr. production: 1010 MCF/D; 5.	cations and measured and true vertical depositions and production @ 5:30 p.m.	on 10/1/98.
16/64" choke.	IDDIS. CONGENSALE, O DDIS. WAL	e. IDECEIVED

DIV. OF OIL, GAS & MINING

COPIES: O	RIG. & 2-BLM; DIV. OG&M J MCQUILL	EN	
14. I hereby co	ertify that the foregoing is true and correc	t	
Signed	Lucy Nemer	Title Administrative Assistant	Date 10/19/98
	- L		
(This space for	Federal or State office use)		
(This space for Approved by	Federal or State office use)	Title	Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States andy false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

FORM 3160-5 (June 1990)

#### **WNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT**

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No.

•	20200 200.3	
	UTU-66426	

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.

SUNDRY NOTICES AND REPORTS ON WELLS

6. If Indian, Allottee or Tribe Name

USE APPLICATION FOR PERIMIT	1 - 101 such proposals	140
SUBMIT IN TRIF	PLICATE	7. If Unit or CA, Agreement Designation HANGING ROCK
1. Type of Well  Other  Other		8. Well Name and No.  HANGING ROCK F #7-10  9. API Well No.
Name of Operator     ROSEWOOD RESOURCES, INC.     Address and Telephone No.		43-047-33100  10. Field and Pool, or Exploratory Area
•	435-789-0414 escription)	11. County or Parish, State  UINTAH CO., UTAH
12. CHECK APPROPRIATE BOX TYPE OF SUBMISSION	(es) TO INDICATE NATURE OF NOT TYP	ICE, REPORT, OR OTHER DATA PE OF ACTION
Notice of Intent WA X Subsequent Report Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other (Note: Report results of multiple of Completion or Recompletion Rep	ort and Log form.)
13. Describe Proposed or Completed Operations (Clearly s work. If well is directionally drilled, give subsurface local	tate all pertinent details, and give pertinent of tions and measured and true vertical depths	dates, including estimated date of starting any proposed s for all markers and zones pertinent to this work.)*

Produced water will be tanked on location and then trucked to the state approved TU & FRUM Disposal Facility located in Section 12, T5S, R19E, Uintah County. Produced water will be reported on the Monthly MMS-3160 form.

OCT 23 1998 DIV. OF OIL, GAS & MINING

COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN 14. I hereby certify that/the foregoing is true and correct 10/19/98 **Title Administrative Assistant** Signed (This space for Federal or State office use) Date Title Approved by

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States andy false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

**WINITED STATES** FORM 3160-5 FORM APPROVED **DEPARTMENT OF THE INTERIOR** (June 1990) Budget Bureau No. 1004-0135 **BUREAU OF LAND MANAGEMENT** Expires: March 31, 1993 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS UTU-66426 Do not use this form for proposals to drill or to deepen or reenter a different reservoir. 6. If Indian, Allottee or Tribe Name Use "APPLICATION FOR PERMIT -" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE HANGING ROCK 1. Type of Well 8. Well Name and No. Well Well HANGING ROCK F #7-10 9. API Well No. 43-047-33100 2. Name of Operator ROSEWOOD RESOURCES, INC. 10. Field and Pool, or Exploratory Area 3. Address and Telephone No. P.O. Box 1668, Vernal, UT 435-789-0414 11. County or Parish, State 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NW/SE SECTION 7, T12S, R24E **UINTAH CO., UTAH** CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Plugging Back Non-Routine Fracturing Subsequent Report Casing Repair Water Shut-Off **Altering Casing** Conversion to Injection **Final Abandonment Notice** Other WEEKLY Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\* Weekly Status - completion from 8/25 - 10/1/98 (See attached rig reports) **Current Status - Completing** DIV. OF OIL. GAS & MINING COPIES: ORIG. & 2-BLM: DIV. OG&M: J MCQUILLEN

14. I hereby	certify that the foregoing is true and correct		
Signed	Luy Verner	Title Administrative Assistant	Date 10/19/98
(This space	for Federal or State office use)		
Approved by		Title	Date
Conditions o	f approval if any:		

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States andy false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

#### **Daily Completion Report**

2718' - 21'

2724' - 2440'

WELL NAME: HANGING ROCK F #7-10

**DATE:** 10/19/98

DEPTH:	4600'			
PBTD	4543'	PERFS	Lease #: UTU-	66426
PERFS:	4161'-71'	3873' - 83'	Location: NW/S	SE SEC.7,12S,R24E
	3978' - 88'	3919' - 24'	County: Uint	ah Co., Utah
	4011' - 24'	3742' - 39'		
PACKER:		3581' - 86'		
RBP:		3314' - 18'		
CIBP:	3570'	3797' - 3400'	Engineer	D. Widner
EOT:	3451'	3406' - 10'	Consultant	S. MILLER
		3466' - 70'	PERFS	PERFS

3232' - 36'

3253' - 61'

R/U SCHLUMBERGER. RIH W/ GAUGE RING TO 4486'. RUN CEMENT BOND LOG FROM 4486' TO 200' W/ 1000# SURFACE PRESSURE. EST TOP OF CEMENT @ SURFACE'. R/D WIRELINE. WAIT ON COMPLETION TOOLS.

3075' - 82' 3089' - 3100'

Daily cost

\$6,590 cum. cost \$193,595

#### 8/25/98

7/11/98

MIRU K&S WELL SERVICE RIG #1. HOOK UP PUMP & LINES. UNLOAD & TALLY TBG. N/U BOP'S. P/U 3 7/8" DRAG BIT, CSG SCRAPER & RIH W/ 2 3/8" TBG. TAG PBTD @ 4540'. DISPLACE WELL W/ 3% KCL WATER & PRESSURE TEST TO 2500#. HELD OK! SWAB WELL DOWN TO 2500'. POOH W/ TBG & TOOLS. SION

Daily cost

\$30,270 cum, cost

\$223,865

#### 8/26/98

\*R/U SCHLUMBERGER. RIH W/ 3 3/8" CSG GUN & PERFORATE INTVL 4161'- 71' 4 SPF 40 HOLES TOTAL. HAD NO PRESSURE INCREASE. R/D WIRELINE. P/U XN- NIPPLE, 8' PUP JT, ARROWSET 1-X PKR, ON/OFF TOOL, 1 JT TBG, X- NIPPLE & RIH W/ 131 JTS 2 3/8" TBG. SET PKR @ 4059' & LAND TBG ON HANGER @ 4073'. PRESSURE TEST PKR TO 2500#. HELD OK! FILL TBG & BREAK DOWN PERFS W/ RIG PUMP USING 3% KCL WATER. ZONE BROKE @ 2500#. AVG 2 BPM @ 1600#. ISIP 1400# (.78 FRAC GRAD.) PUMPED 5 BBLS INTO PERFS. R/U & SWAB WELL. MADE 4 CONSECUTIVE RUNS & 4 HOURLY RUNS. RECOVERED 21.5 BBLS WATER W/ SMALL GAS BLOW. FLOW TESTED WELL ON 8/64 CHOKE BETWEEN HOURLY SWAB RUNS. FTP @ 40#. HAVE RECOVERED ALL LOAD FLUID. SION

Daily cost

\$9,150 cum. cost \$233,015

#### 8/27/98

CHECK PRESSURE. SITP 680#. WELL BLEW DOWN IMMEDIATELY. R/U & SWAB WELL. FL @ 2000'. MADE 2 CONSECUTIVE RUNS & 3 HOURLY RUNS & RECOVERED 19 BBLS WATER W/ SMALL GAS SHOW. EST 20 MCFD RATE. RELEASE PKR & POOH W/ TBG & TOOLS. R/U SCHLUMBERGER. RIH & SET CIBP @ 4130'. PRESSURE TEST PLUG TO 2500#. HELD OK! RIH W/ BAILER & SPOT 2sx CEMENT ON CIBP. RIH W/ 3 3/8" CSG GUNS & PERFORATE INTVLS 3978'- 88' & 4011'- 24' 4 SPF 92 HOLES TOTAL. R/D WIRELINE. HAD NO PRESSURE INCREASE. P/U XN- NIPPLE, 8' PUP JT, ARROWSET 1-X PKR, ON/OFF TOOL, 1 JT TBG, X- NIPPLE & RIH W/ 125 JTS 2 3/8" TBG. SET PKR @ 3876' & LAND TBG ON HANGER @ 3889'. TEST TOOLS TO 2500#. HELD OK! R/U & SWAB WELL. MADE 3 RUNS & RECOVERED 17 BBLS WATER. SION

Daily cost

\$9,895 cum. cost \$242,910

8/28/98

CHECK PRESSURE. SITP 1100#. WELL BLEW DOWN IMMEDIATELY. R/U & SWAB WELL. FL @ 1200'. MADE 3 CONSECUTIVE & 1 HOURLY RUN & RECOVERED 18 BBLS WATER. WELL FLOWED W/ 70# ON 8/64 CHOKE. FILL TBG & BREAK DOWN PERFS W/ RIG PUMP USING 3% KCL WATER. ZONES BROKE @ 2600#. AVG 2 BPM @ 1900#. ISIP 1400# (.79 FRAC GRAD.) R/U & SWAB WELL. MADE 3 CONSECUTIVE RUNS & 1 HOURLY RUN & RECOVERED 22 BBLS WATER. WELL FLOWING W/ 40# ON 8/64 CHOKE. RELEASE PKR & RESET @ 3999'. FILL TBG & BREAK DOWN PERFS @ 4011'- 24' W/ RIG PUMP USING 3% KCL WATER. ZONE BROKE @ 2500#. AVG 2 BPM @ 1700#. ISIP 1300# (.76 FRAC GRAD.) R/U & SWAB WELL. MADE 5 RUNS & RECOVERED 23.5 BBLS WATER W/ VERY SMALL GAS SHOW. RELEASE PKR & RESET ABOVE BOTH SETS OF PERFS @ 3940'. PRESSURE TEST PKR TO 2500#. HELD OK! R/U & SWAB WELL DOWN. MADE 3 RUNS & RECOVERED 11 BBLS WATER W/ GOOD GAS SHOW. SION

Daily cost

\$2,930 cum. cost \$245,840

8/29/98

CHECK PRESSURE. SITP 1100#. WELL BLEW DOWN IMMEDIATELY. R/U & SWAB WELL. FL @ SURFACE'. MADE 1 RUN & RECOVERED 6 BBLS WATER. FLOW WELL TO TANK FOR 1 1/2 HRS ON 3/4" CHOKE. RECOVERED 12 BBLS WATER. RELEASE PKR. POOH W/ TBG & TOOLS. R/U SCHLUMBERGER. RIH & SET CIBP @ 3970'. TEST PLUG TO 2500#. HELD OK! RIH & SPOT 1sk CEMENT ON PLUG W/ BAILER. RIH W/ 3 3/8" CSG GUNS & PERFORATE INTVLS 3873'- 83' & 3919'- 24', 4 SPF, 60 HOLES TOTAL. R/D WIRELINE. P/U XN-NIPPLE, 6' PUP JT, ARROWSET 1-X PKR, ON/OFF TOOL, 1 JT TBG, X- NIPPLE & RIH W/ 122 JTS 2 3/8" TBG. SET PKR @ 3782' & LAND TBG ON HANGER @ 3795'. TEST PKR TO 2500#. HELD OK! R/U & SWAB WELL. FL @ 1800'. MADE 3 RUNS & RECOVERED 7 BBLS WATER. FLOW WELL 1 HR ON 8/64 CHOKE. FTP @ 56#. SION

Daily cost

\$8,130 cum. cost \$253,970

8/30/98

CHECK PRESSURE. SITP 980#. WELL BLEW DOWN IMMEDIATELY. R/U & SWAB WELL. FL @ 3000'. MADE 1 RUN & RECOVERED 5 BBLS WATER. FLOW WELL ON 16/64 CHOKE FOR 2 HRS. FTP @ 32#. RELEASE PKR & RESET @ 3902'. BREAKDOWN PERFS BELOW PKR @ 3919'- 24' W/ RIG PUMP USING 3% KCL WATER. MAX PSI 1600#. AVG RATE 3 BPM @ 1500#. ISIP 700# (.62 FRAC GRAD.) PUMPED 6 BBLS INTO PERFS. BREAKDOWN PERFS ABOVE PKR @ 3873'- 83' W/ RIG PUMP. ZONE BROKE @ 2000#. AVG RATE 2 BPM @ 1500#. ISIP 1000# (.70 FRAC GRAD.) PUMPED 6 BBLS INTO PERFS. R/U & SWAB TEST INTVL 3919'- 24'. MADE 6 RUNS & RECOVERED 26 BBLS WATER W/ SMALL GAS SHOW. FFL @ 3000'. EST FLUID ENTRY 1 BPH. RELEASE PKR & RESET @ 3782'. TEST TOOLS TO 2500#. HELD OK! R/U & SWAB BOTH SETS OF PERFS. IFL @ SURFACE. MADE 4 CONSECUTIVE & 3 HOURLY RUNS. RECOVERED 34 BBLS TOTAL. EST FLUID ENTRY 4 BPH. INSTALLED 16/64 CHOKE & FLOW TESTED WELL BETWEEN HOURLY RUNS. FTP @ 22#. SION

Daily cost

\$2,845 cum. cost \$256,815

#### 9/1/98

CHECK PRESSURE. SITP 750#. WELL BLEW DOWN IMMEDIATELY. R/U & SWAB WELL. FL @ 1800'. MADE 2 RUNS & RECOVERED 5 BBLS WATER. FLOW WELL ON 12/64 CHOKE FOR 1 HR. FTP @ 60#. RECOVERED 5 BBLS WATER. RELEASE PKR & POOH W/ TBG & TOOLS. R/U SCHLUMBERGER. RIH & SET CIBP @ 3848'. TEST PLUG TO 2500#. HELD OK! SPOT 1sk CEMENT ON PLUG W/ BAILER. RIH W/ 3 3/8" CSG GUN & PERFORATE INTVL @ 3742'- 49', 4 SPF, 28 HOLES TOTAL. R/D WIRELINE. HAD NO PRESSURE INCREASE. P/U XN- NIPPLE. 6' PUP JT, ARROWSET 1-X PKR, ON/OFF TOOL, 1 JT TBG, X- NIPPLE & RIH W/ 118 JTS TBG. SET PKR @ 3660' & LAND TBG ON HANGER @ 3673'. TEST PKR TO 2500#. HELD OK! R/U & BREAK DOWN PERFS W/ RIG PUMP USING 3% KCL WATER. ZONE BROKE @ 1700#. AVG 3 BPM @ 1600#. ISIP 1100# (.73 FRAC GRAD.) R/U & SWAB WELL DOWN. MADE 3 CONSECUTIVE RUNS & 1 HOURLY RUN & RECOVERED 15 BBLS WATER. SION

Daily cost

\$7,280 cum. cost \$264,095

#### 9/2/98

CHECK PRESSURE. SITP 125#. WELL BLEW DOWN IMMEDIATELY. R/U & SWAB WELL. FL @ 2600'. MADE 2 CONSECUTIVE & 6 HOURLY RUNS & RECOVERED 3 BBLS WATER. FLOW TESTED WELL ON 8/64 CHOKE BETWEEN RUNS. FTP @ 10#. SION

Daily cost

\$2,600 cum. cost \$266,695

#### 9/3/98

CHECK PRESSURE. SITP 150#. WELL BLEW DOWN IMMEDIATELY. R/U & SWAB WELL. FL @ 2900'. MADE 1 RUN & RECOVERED 2 BBLS WATER. FILL TBG W/ 11 BBLS KCL WATER & PUMP 10 BBLS INTO PERFS W/ RIG PUMP. AVG 3 BPM @ 1600#. ISIP 1200# (.76 FRAC GRAD.) R/U & SWAB WELL. MADE 3 CONSECUTIVE & 3 30 MIN. RUNS & RECOVERED 20 BBLS WATER W/ SMALL GAS SHOW. RELEASE PKR & POOH W/ 2 3/8" TBG & TOOLS. R/U SCHLUMBERGER. RIH & SET CIBP @ 3710'. PRESSURE TEST PLUG TO 2500#. HELD OK! RIH & SPOT 1 sk CEMENT ON PLUG W/ BAILER. RIH W/ 3 3/8" CSG GUN & PERFORATE INTVL 3581'- 86', 4 SPF, 20 HOLES TOTAL. R/D WIRELINE. RIH W/ XN- NIPPLE, 6' PUP JT, ARROWSET 1-X PKR, ON/OFF TOOL, 1 JT TBG, X- NIPPLE & RIH W/ 113 JTS TBG. SET PKR @ 3509' & LAND TBG ON HANGER @ 3522'. PRESSURE TEST PKR TO 2500#. HELD OK! BREAK DOWN PERFS W/ RIG PUMP USING 3% KCL WATER. ZONE BROKE @ 2200#. AVG 2 BPM @ 1600#. ISIP 1350# (.82 FRAC GRAD.) R/U & SWAB WELL. MADE 4 RUNS & RECOVERED 16 BBLS WATER W/ LIGHT GAS BLOW. HAVE 3 BLTR. FFL @ 3400' SION

Daily cost

\$7,085 cum. cost \$273,780

#### 9/4/98

CHECK PRESSURE. SITP 200#. WELL BLEW DOWN IMMEDIATELY. R/U & SWAB WELL. FL @ 200'. MADE 3 RUNS & RECOVERED 13 BBLS WATER. MADE 2- 30 MIN RUNS W/ NO FLUID ENTRY. FILL TBG W/ 13 BBLS KCL WATER & PUMP 10 BBLS INTO PERFS. AVG 2 BPM @ 1500#. ISIP 1000#. R/U & SWAB WELL. MADE 7 RUNS & RECOVERED 20 BBLS WATER. HAD NO FLUID ENTRY ON LAST 4 HOURLY RUNS. GAS FLOW TSTM. SION

Daily cost

\$2,730 cum. cost \$276,510

#### 9/8/98

CHECK PRESSURE. SITP 450#. WELL BLEW DOWN IMMEDIATELY. RIH W/ SWAB & CHECK FLUID LEVEL. FL @ 2900'. RELEASE PKR & POOH W/ 2 3/8" TBG & TOOLS. R/U SCHLUMBERGER. RIH & SET CIBP @ 3510'. PRESSURE TEST PLUG TO 2500#. HELD OK! RIH & SPOT 1 sk CEMENT ON PLUG. RIH W/ 3 3/8" CSG GUNS & PERFORATE INTVLS 3314'-18', 3397'-3400', 3406'-10' & 3466'-70'. 4 SPF, 60 HOLES TOTAL. R/D WIRELINE. P/U XN- NIPPLE, 6' PUP JT, ARROWSET 1-X PKR, 1 JT TBG, X- NIPPLE & RIH W/ 2 3/8" TBG. SET PKR @ 3232' & LAND TBG ON HANGER @ 3245'. TEST TOOLS TO 2500#. HELD OK! WELL STARTED FLOWING. UNLOAD WELL TO TANK. RECOVERED 11.5 BBLS WATER. INSTALL 16/64 CHOKE & FLOW TEST WELL FOR 1 1/2 HRS. FTP @ 290#. (EST 396 MCFD FLOW RATE) SION

Daily cost

\$6,410 cum. cost \$282,920

#### 9/9/98

CHECK PRESSURE. SITP 1420#. FLOW WELL TO TANK ON 16/64 CHOKE FOR 3 1/2 HRS. FTP STABILIZED @ 290#. (EST 396 MCFD FLOW RATE) R/U HALLIBURTON & PUMP 20 BBLS SLICK FLUID W/ 75 BALL SEALERS & DISPLACED W/ 18 BBLS 3% KCL WATER. AVG 6 BPM @ 2300#. MAX PRESSURE 2750# DID NOT BALL OUT BUT HAD GOOD BALL ACTION DURING TREATMENT. ISIP 1300#, 5 MIN 992#, 10 MIN 843#, 15 MIN 750#. R/D PUMP TRUCK. OPEN WELL TO TANK ON 3/4" CHOKE. PSI TO 0# IN 10 MIN. R/U & SWAB WELL. MADE 4 RUNS & RECOVERED 14 BBLS TOTAL INCLUDING FLUID FLOWED BACK EARLIER. WELL STARTED FLOWING DRY GAS. INSTALL 16/64 CHOKE & FLOW WELL FOR 2 HRS. FTP @ 130# MADE SWAB RUN & RECOVERED 1 BBL FLUID. FLOW WELL ON 16/64 CHOKE FOR 1 HR. FTP @ 160#. MADE SWAB RUN & RECOVERED 1 BBL FLUID. RECOVERED 16 BBLS TOTAL FROM BREAKDOWN. HAVE 22 BBLS LEFT TO RECOVER. SION

Daily cost

\$5,055 cum. cost \$287,975

#### 9/10/98

CHECK PRESSURE. SITP 1350#. FLOW TEST WELL ON 18/64 CHOKE FOR 3 HRS. FTP STABILIZED @ 120#. RIH W/ SWAB & CHECK FLUID LEVEL. TBG DRY. RELEASE PKR & RESET @ 3290'. LAND TBG ON HANGER @ 3303'. TEST PKR TO 2500#. HELD OK! FLOW WELL TO PIT ON 3/4" CHOKE UNTIL DRY. INSTALL 16/64 CHOKE & FLOW TEST WELL FOR 4 HRS. FTP STABILIZED @ 250#. SION

Daily cost

\$2,540 cum. cost \$290,515

#### 9/11/98

CHECK PRESSURE. SITP 1350#. R/U SLICKLINE TRUCK. RIH & SET BLANKING PLUG IN XN- NIPPLE @ 3303'. R/D SLICKLINE UNIT. RELEASE FROM ON/OFF TOOL. PRESSURE TEST TOOLS TO 2500#. HELD OK! POOH W/TBG & ON/OFF TOOL. R/U SCHLUMBERGER. RIH W/ 3 3/8" CSG GUNS & PERFORATE INTVLS 3232'- 36' & 3253'-61', 4 SPF, 48 HOLES TOTAL. R/D WIRELINE UNIT. WELL STARTED FLOWING. FLOW WELL ON 3/4" CHOKE UNTIL DRY. INSTALL 18/64 CHOKE & FLOW WELL FOR 5 HRS. RECOVERED 5.5 BBLS WATER. LAST 3 HRS RECOVERING 1/2 BPH FLUID. FCP STABILIZED @ 500#. (EST 867 MCFD FLOW RATE) SION

Daily cost

\$4,600 cum. cost \$295,115

#### 9/12/98

CHECK PRESSURE. SICP 1300#. FLOW WELL TO TANK ON 18/64 CHOKE. PRESSURE DROPPED TO 0# IN 1 HR. RECOVERED NO FLUID. P/U XN-NIPPLE, 8' PUP JT, ARROWSET 1-X PKR, ON/OFF TOOL, 1 JT TBG, X-NIPPLE & RIH W/ 2 3/8" TBG. SET PKR BETWEEN ZONES @ 3246'. R/U & BREAK DOWN PERFS W/ RIG PUMP USING 3% KCL WATER. INTVL 3232'- 36' BROKE @ 2000#, AVG 3 BPM @ 1400#, ISIP 700# (.66 FRAC GRAD.). INTVL 3253'- 61' BROKE @ 3000#, AVG 2.5 BPM @ 1600#, ISIP 800# (.69 FRAC GRAD.). PUMPED 10 BBLS FLUID INTO EACH SET OF PERFS. RESET PKR @ 3140' & LAND TBG ON HANGER @ 3153'. TEST TOOLS TO 2500#. HELD OKI R/U & SWAB WELL. MADE 1 RUN & RECOVERED 7.5 BBLS WATER & WELL STARTED FLOWING. FLOWED WELL ON 18/64 CHOKE FOR 3 HRS & RECOVERED 5 MORE BBLS WATER. FTP @ 300# (EST 520 MCFD FLOW RATE) INSTALLED 24/64 CHOKE & FLOWED WELL 3 HRS & RECOVERED 2 MORE BBLS WATER. FTP @ 190# (EST 590 MCFD FLOW RATE) RECOVERED 14.5 BBLS FLUID. HAVE 20 BLTR. SION

Daily cost

\$4,900 cum. cost \$300,015

#### 9/13/98

CHECK PRESSURE. SICP 1250#. FLOW WELL TO TANK ON 24/64 CHOKE FOR 3 HRS. FTP @ 170# (EST 528 MCFD FLOW RATE) INSTALL 18/64 CHOKE & FLOW WELL FOR 3 HRS. FTP @ 325# (EST 564 MCFD FLOW RATE) INSTALL 16/64 CHOKE & FLOW WELL FOR 3 HRS. FTP @ 370# (EST 505 MCFD FLOW RATE) RECOVERED 1.5 BBLS WATER TOTAL. HAVE 18.5 BLTR. SION

Daily cost

\$2,670 cum. cost \$302,685

#### 9/14/98

CHECK PRESSURE. SICP 1200#. FLOW WELL TO TANK ON 20/64 CHOKE FOR 5 HRS. FTP @ 220# (EST 472 MCFD FLOW RATE) INSTALL 24/64 CHOKE & FLOW WELL FOR 3 HRS. FTP @ 150# (EST 466 MCFD FLOW RATE) RECOVERED 2.5 BBLS WATER TOTAL. HAVE 16 BLTR. SION

Daily cost

\$2,740 cum. cost \$305,425

#### 9/15/98

CHECK PRESSURE. SICP 1200#. R/U SLICKLINE UNIT. RIH W/ BLANKING PLUG & SET IN XN- NIPPLE @ 3153'. R/D SLICKLINE UNIT. RELEASE FROM ON/OFF TOOL. PRESSURE TEST TOOLS TO 2500#. HELD OK! POOH W/ 2 3/8" TBG & ON/OFF TOOL. R/U SCHLUMBERGER. RIH W/ 3 3/8" CSG GUNS & PERFORATE INTVLS @ 3075'-82' & 3089'- 3100', 4 SPF, 72 HOLES TOTAL. R/D WIRELINE UNIT. P/U XN- NIPPLE, 8' PUP JT, ARROWSET 1-X PKR, ON/OFF TOOL, 1 JT TBG, X- NIPPLE & RIH W/ 97 JTS 2 3/8" TBG. SET PKR @ 3048' & LAND TBG ON HANGER @ 3064'. SWAB WELL DRY IN 2 RUNS W/ ONLY SMALL GAS SHOW. BREAK DOWN PERFS W/ RIG PUMP USING 3% KCL WATER. ZONES BROKE @ 2200#, AVG 3 BPM @ 1400#, ISIP 550# (.62 FRAC GRAD.) HAVE 18 BBLS TO RECOVER. R/U & SWAB WELL. MADE 2 CONSECUTIVE RUNS & 5 30 MIN. RUNS & RECOVERED 22.5 BBLS. HAVE RECOVERED ALL LOAD FLUID PLUS 4.5 BBLS. FLUID ENTRY 2.5 BBLS EVERY 30 MIN. FLOWED WELL BETWEEN RUNS ON 16/64 CHOKE. FTP @ 30# (EST 41 MCFD FLOW RATE) SION

Daily cost

\$9,170 cum. cost \$314,595

#### 9/16/98

CHECK PRESSURE. SICP 1000#. WELL BLED DOWN IMMEDIATELY. R/U & SWAB WELL. FL @ 2200'. MADE 2 CONSECUTIVE & 6- 30 MIN. RUNS & RECOVERED 20 BBLS WATER. HAD 5 BPH FLUID ENTRY. FLOWED WELL ON 16/64 CHOKE BETWEEN RUNS. FTP @ 30# (EST 41 MCFD FLOW RATE). R/D SWAB. RELEASE PKR & POOH W/ 2 3/8" TBG & TOOLS. SION

Daily cost

\$2,660 cum. cost \$317,255

9/17/98

CHECK PRESSURE. SICP 200#. P/U ARROW RBP & RIH W/ 101 JTS 2 3/8" TBG. SET PLUG @ 3135'. SPOT 1 sk SAND ON PLUG. POOH W/ TBG & RET. HEAD. P/U CEMENT RETAINER & RIH W/ 95 JTS TBG. SET RETAINER @ 2979'. TEST TO 2500#. HELD OK! R/U BJ SERVICES. ESTABLISH INJECTION RATE. AVG 1 BPM @ 1800#. MIX & PUMP 50 sx CLASS "G" NEAT CEMENT SLURRY & SQUEEZE PERFS @ 3075'- 3100'. PRESSURED TO 2800#. HELD TIGHT! PULLED OUT OF RETAINER & REVERSED OUT 3 BBLS OF SLURRY & CIRCULATED TBG CLEAN. R/D BJ SERVICES. POOH W/ TBG & TOOLS. P/U 3 7/8" BIT, CSG SCRAPER, 4- 3 1/8" DC'S & RIH W/ 70 JTS 2 3/8" TBG. SHUT IN. WAIT ON CEMENT.

Daily cost

\$9,050 cum. cost \$326,305

9/18/98

WAIT ON CEMENT.

Daily cost

\$450 cum. cost \$326,755

#### 9/19/98

P/U 20 JTS TBG & TAG CEMENT @ 2974'. DRILL OUT RETAINER & CEMENT TO 3046'. DRILL RATE SLOWED. POOH W/ 2 3/8" TBG & TOOLS. BIT DULL & VERY LOOSE. P/U 3 7/8" DRAG BIT, CSG SCRAPER, 4- 3 1/8" DC'S & RIH W/ 3015'. R/U DRILLING EQUIPMENT. SDFN

Daily cost

\$4,330 cum. cost \$331,085

#### 9/22/98

DRILL OUT CEMENT FROM 3046'- 3103'. TEST SQUEEZED PERFS TO 2800#. HELD OK! CIRC SAND OFF RBP @ 3135'. POOH W/ 7 JTS TBG. (EOT @ 2917') SION. MAKE REPAIRS TO RIG ENGINE.

Daily cost

\$2,230 cum. cost \$333,315

#### 9/23/98

POOH W/ 2 3/8" TBG, DC'S, SCRAPER & BIT. P/U RET HEAD & RIH W/ 2 3/8" TBG. RELEASE RBP & RESET @ 2800'. TEST TO 2500#. HELD OK! POOH W/ TBG & RET HEAD. R/U SCHLUMBERGER. RIH W/ 3 3/8" CSG GUNS & PERFORATE INTVLS 2718'- 21' & 2724'- 40'. 4 SPF. 76 HOLES TOTAL. R/D WIRELINE. WELL HAD VERY

GUNS & PERFORATE INTVLS 2718'- 21' & 2724'- 40', 4 SPF, 76 HOLES TOTAL. R/D WIRELINE. WELL HAD VERY SLIGHT BLOW. P/U XN- NIPPLE, 6' PUP JT, ARROWSET 1-X PKR, ON/OFF TOOL, 1 JT TBG, X- NIPPLE & RIH W/ 84 JTS TBG. SET PKR @ 2645' & LAND TBG ON HANGER @ 2658'. TEST PKR TO 2500#. HELD OK! BREAK DOWN PERFS W/ RIG PUMP USING 3% KCL WATER. ZONES BROKE @ 2500#, AVG 2.5 BPM @ 1600#, ISIP 600#. (.66 FRAC GRAD.) PUMPED 5 BBLS INTO PERFS. HAVE 16 BBLS LOAD WATER TO RECOVER. R/U & SWAB WELL. MADE 2 RUNS & WELL STARTED FLOWING. RECOVERED 10 BBLS WATER. INSTALL 18/64 CHOKE & FLOW TEST WELL FOR 2 HRS. FTP STABILIZED @ 500#. (EST 819 MCFD FLOW RATE) SION

Daily cost

\$6,620 cum. cost \$339,935

#### 9/24/98

CHECK PRESSURE. 820# SITP. INSTALL 16/64 CHOKE & FLOW FOR 3 HRS. FTP STABILIZED @ 640# (EST 874 MCFD FLOW RATE). INSTALL 18/64 CHOKE & FLOW FOR 3 HRS. FTP STABILIZED @ 520# (EST 902 MCFD FLOW RATE). INSTALL 24/64 CHOKE & FLOW FOR 2 HRS. FTP STABILIZED @ 360# (EST 1119 MCFD FLOW RATE). INSTALL 20/64 CHOKE & FLOW FOR 2 HRS. FTP STABILIZED @ 480# (EST 1030 MCFD FLOW RATE). WELL HAD PERIODIC MISTING DURING FLOW TEST BUT RECOVERED LESS THAN 1/4 BBL FLUID. SION

Daily cost

\$2,870 cum. cost \$342,805

#### 9/25/98

CHECK PRESSURE. 920# SITP. R/U SLICKLINE TRUCK. RIH W/ TANDEM BHP BOMBS W/ 72 HR CLOCKS & HANG AT MIDDLE OF PERFS. WELL SHUT IN FOR BUILD UP.

Daily cost

\$770 cum. cost \$343,575

#### 9/28/98

DAY 26: CHECK PRESSURE. 19 1/2 HR SITP 920# W/ BOMBS (38 TOTAL HRS SHUT IN)(SIBHP 968#)

DAY 27: CHECK PRESSURE. 59 1/2 HR SITP 920#. (SIBHP 968#) FLOW WELL TO TANK ON 16/64 CHOKE FOR 10 HRS WHILE MONITORING W/ PRESSURE BOMBS. FTP STABILIZED @ 620# (EST 846 MCFD FLOW RATE) RECOVERED NO FLUID & HAD FREEZING PROBLEMS AT SUFACE.(FBHP 660#) SHUT IN WELL.

DAY 28: 17 1/2 HR SITP 900#. (SIBHP 960#) PULL OUT OF HOLE W/ TANDEM PRESSURE BOMBS. R/D SLICKLINE TRUCK. SION

Daily cost

\$4,735 cum. cost \$348,310

#### 9/29/98

CHECK PRESSURE. SITP 900#. INSTALL 18/64 CHOKE & FLOW WELL FOR 4 HRS. FTP @ 620# (EST 1075 MCFD FLOW RATE) INSTALL 20/64 CHOKE & FLOW WELL FOR 4 HRS. FTP @ 480# (EST 1030 MCFD FLOW RATE) RECOVERED NO FLUID TODAY. SION

Daily cost

\$2,615 cum, cost \$350,925

9/30/98

#### HR7-10

CHECK PRESSURE. SITP 900#. R/U SLICKLINE TRUCK. RIH & SET BLANKING PLUG IN XN- NIPPLE @ 2658'. R/D SLICKLINE TRUCK. R/U CUDD SNUBBING UNIT. RELEASE PKR & SNUB OUT OF HOLE W/ TBG & TOOLS. P/U RET. TOOL, XN- NIPPLE W/ BLANKING PLUG INSTALLED, 1 JT TBG, X- NIPPLE & SNUB IN HOLE W/ 90 JTS 2 3/8" TBG. TO RBP @ 2800'. RELEASE PLUG & SNUB OUT OF HOLE W/ TBG & TOOLS. P/U ON/OFF TOOL, X-NIPPLE W/ BLANKING PLUG INSTALLED, 1 JT TBG, X- NIPPLE & SNUB IN HOLE W/ 102 JTS TBG TO TOP OF PKR @ 3140'. WERE UNABLE TO LATCH ONTO PKR DUE TO FILL. POOH W/ 1 JT TBG. SION

Daily cost

\$10,260 cum. cost \$361,185

#### 10/1/98

CHECK PRESSURE. SICP 1160#. R/U CUDD N2 UNIT & CIRC TOP OF PKR @ 3140'. LATCH ONTO & RELEASE PKR. SNUB OUT OF HOLE W/ 2 3/8" TBG & TOOLS. P/U ON/OFF TOOL, XN- NIPPLE W/ PUMP THRU PLUG INSTALLED, 1 JT TBG, X- NIPPLE & SNUB IN HOLE W/ 106 JTS TBG TO PKR @ 3290'. R/U & DUST OFF PLUG W/ N2 MIST. LATCH ONTO & RELEASE PKR. PKR DRAGGING & BECAME STUCK @ 3216'. COULD NOT GET PKR FREE. RELEASE FROM ON/OFF TOOL. SNUB OUT OF HOLE W/ TBG & ON/OFF TOOL. SION

Daily cost

\$16,298 cum. cost \$377,483

#### 10/2/98

CHECK PRESSURE. SICP 1150#. P/U ON/OFF TOOL, BUMPER SUB, OIL JARS, X- NIPPLE, 1 JT TBG, X- NIPPLE & SNUB IN HOLE W/ 2 3/8" TBG TO TOP OF PKR @ 3216'. CIRC W/ N2 MIST. LATCH ONTO PKR & JAR PKR FREE. SNUB OUT OF HOLE W/ TBG, TOOLS & FISH. PACKING ELEMENTS ON PACKER TORN & SPLIT. P/U NOTCHED COLLAR, XN- NIPPLE, 1 JT TBG, X- NIPPLE & SNUB IN HOLE W/ 110 JTS TBG. LAND TBG ON HANGER @ 3451'. R/D CUDD SNUBBING UNIT. N/D BOP'S & N/U WELLHEAD. R/U SLICKLINE UNIT. RIH & PULL BLANKING PLUG @ 3448'. RIG DOWN & RELEASE RIG. PUT WELL ON PRODUCTION @ 5:30 PM 10/01/98

Daily cost

\$18,660 cum. cost \$396,143

#### 10/5/98

10/2/98: WELL PRODUCING ON 16/64 CHOKE. FTP 700# SICP 830# FLOWED 444 MCF GAS & RECOVERED 1.67 BW & 0 BO IN 15 HRS.

10/3/98: WELL PRODUCING ON 16/64 CHOKE. FTP 700# SICP 880# FLOWED 959 MCF GAS & RECOVERED 8.35 BW & 0 BO IN 22 HRS.

10/4/98: WELL PRODUCING ON 16/64 CHOKE. FTP 700# SICP 760# FLOWED 1010 MCF GAS & RECOVERED 5.01 BW & 0 BO IN 24 HRS.

Daily cost

\$0 cum. cost \$396,143

#### 10/6/98

10/5/98: WELL PRODUCING ON 16/64 CHOKE. FTP 700# SICP 760# FLOWED 1013 MCF GAS & RECOVERED 8.35 BW & 0 BO IN 24 HRS. (DAY 4)

Daily cost

\$0 cum. cost \$396,143

10/7/98

10/5/98: WELL PRODUCING ON 16/64 CHOKE. FTP 700# SICP 760# FLOWED 1021 MCF GAS & RECOVERED 3.25 BW & 1 BO IN 24 HRS. (DAY 5)

Daily cost

\$0 cum. cost \$396,143

10/8/98

10/07/98 FTP 700# SICP 760 PSI on 16/64" CHOKE, PRODUCED 1028 MCF, 0 CONDENSATE, 5.01 BLW. (DAY 6)

Daily cost

\$0 cum. cost \$396,143

10/9/98

10/08/98 FTP 700# SICP 760 PSI on 16/64" CHOKE, PRODUCED 1028 MCF, 1 CONDENSATE, 5.01 BLW. (DAY 7)

Daily cost

\$0 cum. cost \$396,143

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4 1/20	M CE	11.64		(500)	# #/O!!	206 CIVE HAT	COLL	(AND)	
4-1/2"	M-65	11.6#	- 4	500'	7 7/8"	295 SKS HAI TAIL W/450			
29.		LINE	RECORD		***	30.		BING RECORD	
SIZE	ТОР	(MD)	BOTTOM (MD)	SACKS CEMENT	* SCREEN (MD)	SIZE	DEP	TH SET (MD)	PACKER SET (MD)
						2 3/8"	345	1'	
31. PERFORATION RECO	PD (Interval size	and number)			32.	ACTO SHOT ED	ACTUBE	, CEMENT SQUEE	VE ETC
INTERVAL	AD (Marving size )	and number)				TERVAL (MD)		UNT AND KIND OF M	
4161' - 71' .37				GE 2 FOR	3075' -	3100' SQ	UEEZE	O W/50 SX "G"	
3878' - 88',4011'		92 HOLES 60 HOLE		ONAL ZON	ES				
3873' - 83',3919' 3742' - 49	0.37	28 HOLE							
	U.J/		-			···			
3742 - 45		CTION						<del></del>	
DATE FIRST PRODUCTIO	PRODU		METHOD (Flowing, gas	lift, pumping—size and	type of pump)			WELL STATUS (P	roducing or shut-in)
DATE FIRST PRODUCTIO	PRODU			lift, pumping—size and	i type of pump)			WELL STATUS (P	roducing or shut-in)
DATE FIRST PRODUCTIO	PRODU N	PRODUCTION	G CHOKE SIZE	PROD'N. FOR	i type of pump) OIL-BBLS.	GAS-MCF.	WATE	PROD	GAS-OIL RATIO
DATE FIRST PRODUCTIO 10/1/98 DATE OF TEST 10-4-98	PRODU	PRODUCTION FLOWING HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL-BBLS.	1010		PROD R-BBL.	GAS-OIL RATIO
DATE FIRST PRODUCTIO 10/1/98 DATE OF TEST	PRODU	PRODUCTION FLOWING HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL-BBLS.	1010	WATE	PROD R-BBL. 0	GAS-OIL RATIO
DATE FIRST PRODUCTIO 10/1/98 DATE OF TEST 10-4-98 FLOW. TUBING PRESS. 700#	PRODU N	PRODUCTION FLOWING HOURS TESTED 24 CASING PRESSURE 760#	CHOKE SIZE  16/64  CALCULATED	PROD'N. FOR TEST PERIOD	OIL-BBLS.	1010   F. W	TER-BBL	PROD  R-BBL.  0  OIL GRAVITY-AP	GAS-OIL RATIO
DATE FIRST PRODUCTIO 10/1/98 DATE OF TEST 10-4-98 FLOW. TUBING PRESS.	PRODU N	PRODUCTION FLOWING HOURS TESTED 24 CASING PRESSURE 760#	CHOKE SIZE  16/64  CALCULATED 24-HOUR RATE	PROD'N. FOR TEST PERIOD OIL-BBL.	OIL-BBLS.  5.1  GAS-MCF	1010   F. W	TER-BBL	PROD R-BBL.	GAS-OIL RATIO
DATE FIRST PRODUCTIO 10/1/98 DATE OF TEST 10-4-98 FLOW. TUBING PRESS. 700# 34. DISPOSITION OF GAS	PRODU	PRODUCTION FLOWING HOURS TESTED 24 CASING PRESSURE 760#	CHOKE SIZE  16/64  CALCULATED 24-HOUR RATE	PROD'N. FOR TEST PERIOD OIL-BBL.	OIL-BBLS.  5.1  GAS-MCF	1010   F. W	TER-BBL	PROD  R-BBL.  O  OIL GRAVITY-AP  WITNESSED BY	GAS-OIL RATIO
DATE FIRST PRODUCTIO 10/1/98 DATE OF TEST 10-4-98 FLOW. TUBDING PRESS. 700# 34. DISPOSITION OF GAS SALES/FUEL 35. LIST OF ATTACHMEN	PRODU  N  (Sold, used for fuel,	PRODUCTION FLOWING FLOWING CASING PRESSURE 760# vented, etc.)	CHOKE SIZE  16/64  CALCULATED 24-HOUR RATE >	PROD'N. FOR TEST PERIOD OIL-BBL. 5.1	OIL—BBLS.  5.1  GAS—MCF  1010	1010   w	TER-BBL	PROD  R-BBL.  O  OIL GRAVITY-AP  WITNESSED BY	GAS-OIL RATIO
DATE FIRST PRODUCTIO 10/1/98 DATE OF TEST 10-4-98 FLOW. TUBING PRESS. 700# 34. DISPOSITION OF GAS SALES/FUEL	PRODU  N  (Sold, used for fuel,	PRODUCTION FLOWING FLOWING CASING PRESSURE 760# vented, etc.)	CHOKE SIZE  16/64  CALCULATED 24-HOUR RATE >	PROD'N. FOR TEST PERIOD OIL-BBL. 5.1	OIL—BBLS.  5.1  GAS—MCF  1010  om all available record	1010   w	TEST Ivai	PROD  R-BBL.  O  OIL GRAVITY-AP  WITNESSED BY  A Sadlier	GAS-OIL RATIO

\*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

ADDITIONAL PERFORATIONS.  3581'-86'-37'-20 HOLES  3314'-18', 3397'-3400', 3406'-10'  3466'-70-'-37'-60 HOLES  3332'-36', 3253'-61'-37'-48 HOLES  3075'-82', 3089'-3100'-37'-76 HOLES  2718'-21', 2724'-40-'-37'-76 HOLES	SUMMARY OF POROUS ZONES: (Sh drill-stem, tests, including depth interva	how all important z il tested, cushion u	SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and	38. GEOLOGIC MARKERS	MARKERS
3581'-86'-37 20 HOLES 3581'-86'-37 20 HOLES 3314'-18', 3397'-3400', 3406'-10' 3466'-70-'-37 60 HOLES 3222'-36', 3253'-61'-37 48 HOLES 3075'-82', 3089'-3100'-37 72 HOLES 2718'-21', 2724'-40-'-37 76 HOLES	ATION		DESCRIPTION, CONTENTS, ETC.		TOP
WASATCH MESA VERDE POLES HOLES			ADDITIONAL PERFORATIONS:	NAME	TRUE MEAS. DEPTH VERT. DEPTH
-61' .37 48 -3100' ,37 -40-' ,37 7			3581' - 86' .37 20 HOLES 3314' - 18', 3397' - 3400', 3406' - 10' 3466' - 70-' .37 60 HOLES	WASATCH MESA VERDE	
			-61' .37 48 -3100' ,37 -40-' ,37 7		
COPIES: BLM - VERNAL/ORIG. & 2 COPIES; DIV. OG&M - DALLAS 1 COPY;	 PIES: BLM - VERNAL/O 	  RIG. & 2 CC 	  PIES; DIV. OG&M - DALLAS 1 COPY; 		

FORM 3160-4						SUBM	IT IN DUPLICA (See oth			. 1004-0137	
(July 1992)		UN	IITED STA	ATES			struction			February 28, 1	995
	C 00 I	DEPARTME			OR		reverse	side)	5. LEASE DI	SIGNATION AN	D SERIAL NO.
I'n)EC		BUREAU C	F LAND M	ANAGEMEN	IT					UTU-66426	
WELL CO	MPLETI	ON OR REC	OMPLET	ION REP	ORT A	ND L	OG*				
Tal HYPR OF WORK	<del>  1 2 199</del> 5		GAS							FREEMENT NAM	
1b TYPE OF WELL	-	(WZLII)	WELL 3	DRY		Other	REVISED		_	HANGING	
DIV. DE PIL	GAS &	MINING	F1.L/Us		_					R LEASE NAME,	
WELLX	OVER	E	BACK	RESVR.		Other			ì	ING ROC	K F #7-10
2. NAME OF OPERATOR									9. API WE	ll no. <b>43-047-331</b>	00
ROSEWOOD R	ESOURCES ONE NO.	S, INC.				<del></del>			10. FIELD	AND POOL OR W	ILDCAT
P.O. BOX 1668.	VERNAL,	UT 84078		435-789-0	1414					WILDCAT	CK AND SURVEY
4. LOCATION OF WELL	L (Report location	s clearly and in accord	ance with any Stat	e requirements.*)					OR ARE		OK 1812 BOX 21
At Surface 2028' FSL 2289'	FFI. NW/S	KTF.								SEC. 7, T1	2S, R24E
At top prod. Interval repo											CID OM
											S.L.B. & M
At total depth			14. PERMIT N	0.		ATE ISSUE 5/14/98	D			y or parish UINTAH	UTAH
D. C. COVERNO	16. DATE T.D. RE	ACHED	17. DATE COMPL. (	(Ready to prod.)	_		(DF, RKB, RT, GR,	ETC.)*	l	ULIVILLE	19. ELEV. CASINGHEAD
15. DATE SPUDDED 6/18/98	6/24/98	ACIED	9/30/98			6114' G					CABLE TOOLS
20. TOTAL DEPTH, MD &	TVD	21. PLUG, BACK T.	D., MD & TVD	22. IF MULTIPI HOW MAN			23. INTERVALS DRILLED BY	R	TARY TOO	LS	CABLE TOOLS
4600' мр	τ	VD CIBP	@ 3510'	now man	•		>		530' - 4	600'	NA
24. PRODUCING INTERVA	AL(S), OF THIS CO	MPLETION-TOP, BOTT	OM, NAME (MD A	ND TVD)*				-			25. WAS DIRECTIONAL SURVEY MADE
WASATCH 27	718'- 3410'										
											NO 27. WAS WELL CORED
26. TYPE ELECTRIC AND AI/LC/GR, CNI	OTHER LOGS RU	CR MID LO	G. CBL								NO
23.	JD/GIC, IVIL	GR, MCD EC	<del>, , , , , , , , , , , , , , , , , , , </del>	CASING RECOR			set in well)				AMOUNT PULLED
CASING SIZ		WEIGHT, LB./I		PTH SET (MD) O' GL	12 1		SURF-300		ass "G"		NONE
9-5/8"	J-55	36#	- 32	U GL							
4-1/2"	M-65	11.6#	4	500'	77	/8''	295 SKS H	ALC	O-LITE	0 (10)	
4-1/2	7/1 00						TAIL W/4	50 SK		G (AG)	<u> </u>
29.		LINER R		SACKS CEMENT	r• SCR	EEN (MD)	30. SIZE	Γ	DEPTH SI		PACKER SET (MD)
SIZE	TO	P (MD)	BOTTOM (MD)	SACRO CENZETA			2 3/8"		3451'		
											TATE FAC
31. PERFORATION REC	ORD (Interval, size	and number)			32.	DEPTH INT	ACID, SHOT ERVAL (MD)	, FRAC	AMOUNT	MENT SQUE AND KIND OF N	MATERIAL USED
INTERVAL OK 4161' - 71' .37	7 40 HOL	rs .	SEE PA	GE 2 FOR		3075' -		SQUI		//50 SX "G"	
3878' - 88',4011		92 HOLES		IONAL ZON	ES						
3873' - 83',3919	' - 24' .37										
3742' - 49	0.37	28 HOLES						<u> </u>			
		UCTION	ETHOD (Flowing or	s lift, pumping—size ar	nd type of pur	шр)				WELL STATUS	(Producing or shut-in)
DATE FIRST PRODUCTION 10/1/98	ON	FLOWING		a mrt hh						PROD	GAS-OIL RATIO
DATE OF TEST		HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL	BBLS.	GASMCF.	1	WATER-I	BBL.	GAS-OIL RATIO
10-4-98		24	16/64	>	5.1	GAS-MCI	1010	WAT	O ER-BBL.	OIL GRAVITY-	API (CORR.)
FLOW. TUBING PRESS.		CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL-BBL.		_		1	DIC 224.		
700#		760#	>	5.1		1010	<u> </u>	0	TEST WIT	NESSED BY	
34. DISPOSITION OF GASALES/FUEL	S (Sold, used for fue	i, vented, etc.)							Ivan S	adlier	
35. LIST OF ATTACHME	ENTS		·								
36. I hereby certify that	the foregoing and	attached information is	s complete and cor	rect as determined	from all ava	ilable recor	ds				1/6/00
SIGNED	Luc	Merron	_	TITLE	AD	MIII/12	INATIVE			DAT	E 1/6/00
		*/See Insti	ructions an	d Spaces fo	or Addi	tional i	Data on Re	vers	e Side)		

\*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

GEOLOGIC MARKERS	TOP	NAME TRUE MEAS, DEPTH VERT, DEPTH		MESA VERDE 4092'							
SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);	DESCRIPTION, CONTENTS, ETC.	ADDITIONAL PERFORATIONS:	OLES 3406' - 10'	.37 60 HOLES	-36', 3253' - 61' .37 48 HOLES -82', 3089' - 3100' ,37 72 HOLES -21', 2724' - 40-' ,37 76 HOLES					DIV. OG&M - DALLAS 1 COPY;	
Show all important zones of porosit val tested, cushion used, time tool o	P BOTTOM		3581' - 86' 3314' - 18',	3466' - 70-'	3232' - 36 3075' - 8 2718' - 2	t de la constant de l					
37. SUMMARY OF POROUS ZONES: (6 drill-stem, tests, including depth interv recoveries):	FORMATION TOP									COPIES: BLM - VERNAL/ORIG. & 2 COPIES:	

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES

5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:  8. WELL NAME and NUMBER:
9. API NUMBER:
•
10. FIELD AND POOL, OR WILDCAT:
COUNTY:
STATE: UTAH
ORT, OR OTHER DATA
REPERFORATE CURRENT FORMATION  SIDETRACK TO REPAIR WELL  TEMPORARILY ABANDON  TUBING REPAIR  VENT OR FLARE  WATER DISPOSAL  WATER SHUT-OFF  OTHER:  N  Immes, etc. OSEWOOD - effective 5/1/2002.
DIVISION OF CAS AND MINING Adant Reserved Resources,

. . . . •

API#	FED#	POOL#	COUNTY	LEGAL	WELL NAME
43-047-32871	UTU-57455	OIL SPRINGS	UNITAH	1 12S 23E SESW	HANGING ROCK FED I # 1-14 WS
43-047-32855	UTU-57455	OIL SPRINGS	UINTAH	1 12S 23E NWNW	HANGING ROCK I # 1-4 WS
43-047-32679	UTU-57455	OIL SPRINGS	UNITAH	1 12S 23E SESE	HANGING ROCK FED I # 1-16
43-047-33098	UTU-57455	OIL SPRINGS	UNITAH	10 12S 23E NESW	HANGING ROCK I # 10-13 WS
43-047-32935	UTU-57455	OIL SPRINGS	UNITAH	11 12S 23E SENE	HANGING ROCK I # 11-8 (WSMVD)
43-047-32936	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NWNE	HANGING ROCK I # 12-2
43-047-33096	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NWSW	HANGING ROCK I # 12-12 WS
43-047-33101	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NESE	HANGING ROCK I # 12-9 WS
43-047-32748	UTU-57455	OIL SPRINGS	UNITAH	12 12S 23E NWNW	HANGING ROCK I # 12-4
43-047-33099	UTU-57455	OIL SPRINGS	UNITAH	15 12S 23 E SWNE	HANGING ROCK I # 15-7
43-047-33100	UTU-66426	OIL SPRINGS	UNITAH	7 12S 24E NWSE	HANGING ROCK F # 7-10
43-047-32937	UTU-66426	OIL SPRINGS	UNITAH	7 12S 24E SENE	HANGING ROCK F # 7-8
43-047-32751	UTU-66426	OIL SPRINGS	UNITAH	7 12S 24E SENW	HANGING ROCK F # 7-6
43-047-32872	UTU-70239	OIL SPRINGS	UNITAH	8 12S 24E NWNW	TUCKER FEDERAL F # 8-4
43-047-32993	UTU-70239	OIL SPRINGS	UNITAH	8 12S 24E NWNE	TUCKER FEDERAL F # 8-2
43-047-33132	UTU-73019	BUCK CANYON	UNITAH	5 12S 22E SENW	ROSEWOOD # 5-6
43-047-32604	UTU-66761	ASPHALT WASH	UNITAH	23 11S 24E SESE	THIMBLE ROCK FED # 23-15
43-047-32757	UTU-08424-A	OIL SPRINGS	UNITAH	6 12S 24E SWSE	TOBY FEDERAL F # 6-15
43-047-32840	UTU-65355	BUCK CANYON	UNITAH	19 11S 22E NESE	ROSEWOOD FED # 28-8
43-047-32603	UTU-66408	ROCK HOUSE	UNITAH	24 11S 23E SWSW	HANGING ROCK # 24-13
43-047-32750	UTU-75206	OIL SPRINGS	UNITAH	17 12S 24E NWNW	CENTER FORK FED # 17-4
43-047-33186	UTU-66409	ROCK HOUSE	UNITAH	22 11S 23E SESE	ROSEWOOD FED H # 22-16



## United States Department of the Interior

#### **BUREAU OF LAND MANAGEMENT**

Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155

IN REPLY REFER TO UT-922

June 18, 2002

McElvain Oil & Gas Properties, Inc. Attn: Mona Binion 1050 17<sup>th</sup> Street, Suite 1800 Denver, Colorado 80265

Re:

Hanging Rock Unit Uintah County, Utah

#### Gentlemen:

We received an indenture dated May 1, 2002, whereby Rosewood Resources, Inc. resigned as Unit Operator and McElvain Oil & Gas Properties, Inc. was designated as Successor Unit Operator for the Hanging Rock Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective June 18, 2002. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Hanging Rock Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1268 will be used to cover all operations within the Hanging Rock Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks Chief, Branch of Fluid Minerals

#### **Enclosure**

bcc:

Field Manager - Vernal (w/enclosure)

Division of Oil, Gas & Mining

Minerals Adjudication Group U-942 File - Hanging Rock Unit (w/enclosure)

Agr. Sec. Chron Fluid Chron

Fluid Chron

UT922:TAThompson:tt:6/18/02

## Results of query for MMS Account Number UTU73518B

Production	API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Range	Section	Quarter/Quart
Production	<u>4304732679</u>	ROSEWOOD RESOURCES INC	HANGING ROCK I 1-16	PGW	UTU57455	UTU73518B	128	23E	1	SESE
Production	4304732748	ROSEWOOD RESOURCES INC	HANGING ROCK 12-4	1	UTU57455	UTU73518B	128	23E	12	NWNW
Production	4304732751	ROSEWOOD RESOURCES INC	HANGING ROCK 7-6	PGW	UTU66426	UTU73518B	128	24E	7	SENW
Production		ROSEWOOD RESOURCES INC	l 1-14	PGW	UTU57455	UTU73518B	128	23E	1	SESW
Production	4304732935	ROSEWOOD RESOURCES INC	l 11-8	PGW	UTU57455	UTU73518B	128	23E	11	SENE
Production	4304732936	ROSEWOOD RESOURCES INC	l 12-2	PGW	UTU57455	UTU73518B	128	23E	12	NWNE
Production	4304732937	ROSEWOOD RESOURCES INC	F 7-8	PGW	UTU66426	UTU73518B	128	24E	7	SENE
Production	<u>4304733100</u>	ROSEWOOD RESOURCES INC	F 7-10	PGW	UTU66426	UTU73518B	128	24E	7	NWSE

1 of 2

## Results of query for MMS Account Number UTU73518A

Production	API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Range	Section	Quarter/Quart
Production	1 .	ROSEWOOD RESOURCES INC	HANGING ROCK 24-13		UTU66408	UTU73518A	11S	23E	24	swsw

DISCLAIMER for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

1 of 1

#### **OPERATOR CHANGE WORKSHEET**

ROUTING	
1. GLH	
2. CDW	
3. FILE	

### X Change of Operator (Well Sold)

The operator of the well(s) listed below has changed, effective:

Designation of Agent

Operator Name Change

Merger

05-01-2002

FROM: (Old Operator):		TO: (New Or				
ROSEWOOD RESOURCES INC		MCELVAIN C	IL & GAS	PROPERTI	ES INC	
Address: P O BOX 1668		Address: 1050				
VERNAL, UT 84078		DENVER, CO		1		
Phone: 1-(435)-789-0414		Phone: 1-(303)				
Account No. N7510		Account No.	N2100			
CA No.		Unit:	HANGIN	G ROCK		
WELL(S)						
	SEC TWN	API NO	ENTITY	LEASE	WELL	WELL
NAME	RNG		NO	TYPE	TYPE	STATUS
	24-11S-23E	43-047-32603	11723	FEDERAL		P
		43-047-32871		FEDERAL		P
		43-047-32679		FEDERAL		P
HANGING ROCK FEDERAL I 11-8	11-12S-23E	43-047-32935	12306	FEDERAL		P
HANGING ROCK I 12-2	12-12S-23E	43-047-32936	11889	FEDERAL	GW	P
HANGING ROCK FEDERAL I 12-4	12-12S-23E	43-047-32748	11889	FEDERAL	GW	P
HANGING ROCK FEDERAL F 7-6	07-12S-24E	43-047-32751	11889	FEDERAL	GW	P
	07-12S-24E	43-047-32937	12305	FEDERAL	GW	P
HANGING ROCK F 7-10	07-12S-24E	43-047-33100	12400	FEDERAL	GW	P
	· · · · · · · · · · · · · · · · · · ·					
OPERATOR CHANGES DOCUMENTATION						
Enter date after each listed item is completed						
1. (R649-8-10) Sundry or legal documentation was received fi	rom the FOR	MER operator of	on:	04/29/2002		
2. (R649-8-10) Sundry or legal documentation was received fi	rom the NEW	operator on:	04/29/2002	2		
3. The new company has been checked through the <b>Departme</b>	ent of Comm	erce, Division o	f Corporat	tions Databa	ise on:	07/03/2002
4. Is the new operator registered in the State of Utah:	YES	Business Numb	er: 5	078926-014	3	
5. If <b>NO</b> , the operator was contacted contacted on:	N/A					
6. (R649-9-2) Waste Management Plan received on:	IN PLACE					

Federal and Indian Lease Wells: The BLM and or the BIA has approved the merger, name change,

	or operator change for all wells listed on Federal or Indian leases on:  06/18/2002
7.	Federal and Indian Units:  The BLM or BIA has approved the successor of unit operator for wells listed on:  06/18/2002
8.	Federal and Indian Communization Agreements ("CA"):  The BLM or BIA has approved the operator for all wells listed within a CA on:  N/A
9.	Underground Injection Control ("UIC") The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:  N/A
<b>D</b> A	ATA ENTRY: Changes entered in the Oil and Gas Database on: 07/03/2002
2.	Changes have been entered on the Monthly Operator Change Spread Sheet on: 07/03/2002
3.	Bond information entered in RBDMS on: N/A
4.	Fee wells attached to bond in RBDMS on:  N/A
S7 1.	State well(s) covered by Bond Number:  N/A
FF 1.	EDERAL WELL(S) BOND VERIFICATION: Federal well(s) covered by Bond Number:  UT 1268
IN 1.	Indian well(s) covered by Bond Number:  N/A
	EE WELL(S) BOND VERIFICATION:  (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number  N/A
	The FORMER operator has requested a release of liability from their bond on:  N/A  The Division sent response by letter on:  N/A
	EASE INTEREST OWNER NOTIFICATION:  (R649-2-10) The FORMER operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on:  N/A
CC	DMMENTS:

Form 3160-5 (September 2001)

# TED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires January 31, 2004

## SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter as abandoned well. Use Form 3160-3 (APD) for such proposals

U-66426

5. Lease Serial No.

abandoned we	abandoned well. Use Form 3160-3 (APD) for such proposals.						ı, Alle	ittee or Tribe Name
	HENCATE Other instal	ictic	ns on revers	e side				'Agreement, Name and/or No.
1. Type of Well				- Marie 10 / 10 Marie 10 / 10 Marie 10 / 10 Marie 10 Mari				ing Rock WS MV
Oil Well Gas Well 2. Name of Operator	Other					8. Well N Har		nd No. Rock Federal #7-10
McElvain Oil & Gas Prope	erties, Inc.		"			9. API W		
3a. Address 1050 - 17th Street, Ste. 1800 De	enver, Colorado 80265	3t	o. Phone No. (inclui 303.8	de area ( 93.09:		10 Field a		3-047-33100 ol, or Exploratory Area
	T., R., M., or Survey Description	1)				10. Flore	ikt i ex	Oil Springs
2028' FSL, 2289' FEL, NV	WSE Section 7, T12S-R2	24E				11. County	or Pa	rish, State
<u> </u>	,						ı	Jintah, Utah
12. CHECK AP	PPROPRIATE BOX(ES) TO	O IN	DICATE NATU	JRE O	F NOTICE, RI	EPORT, O	R OT	HER DATA
TYPE OF SUBMISSION			Т	YPE O	F ACTION			
0	☑ Acidize		Deepen		Production (Start	/Resume)		Water Shut-Off
Notice of Intent	Alter Casing		Fracture Treat		Reclamation			Well Integrity
O Subsequent Report	Casing Repair		New Construction		Recomplete			Other
O Final Abandonment Notice	Change Plans		Plug and Abandon	_	Temporarily Ab	andon		
Pinai Abandonmeni Nonce	☐ Convert to Injection	Ш	Plug Back	Ш	Water Disposal			
McElvain Oil & Gas pro attempt to clean up susp results, the CIBP at 2895 perforations from 3232-3 It is anticipated that the Please see the attached v	sected perforation scale. will be sand line driller 36', 3253-61', 3314-18', work would commence	Afted in 3397	er acidizing, the order to re-est 7-3400', 3406-arly to mid Au	ne wel ablish 10', an	l will be swal commingled ad 3466-70'.	tested a	nd, d	epending on the
		The second second	COPY SENT IC Date: 7- Inilials	OPENA 30-	NOR OY )			RECEIVED
14. I hereby certify that the foregoi Name (Printed/Typed)	ing is true and correct	<del>一</del> 、	MATERIAL I LA SERVICE LA SERVICE	en egendoren	tioners, also discord			JUL 2 7 2004
	ed Fischer		Title	Oper	ations Engine	er		DIV. OF OIL, GAS & MINING
Signature	1 /m	//	Date	<del></del>				DIV. OF CIE. GAS & WIIIVING
	TEN PURCH		PEDERALIOR		23, 2004			
Approved by				Δc	cepted by ah Division	the	Datë	Federal Approval Of This
Conditions of approval, if any, are certify that the applicant holds leg which would entitle the applicant to	gal or equitable title to those riol		es not warrant or	Oil,	Gas and M	lining		Action Is Necessary
Title 18 U.S.C. Section 1001 and T States any false, fictitious or fraudu	Fitle 43 U.S.C. Section 1212, mak ilent statements or representations	e it a	crime for any personany matter within it	n knovi s jurisd	ingly and walkuly	to make to	ny de	partment or agency of the United

## McELVAIN OIL & GAS PROPERTIES, INC.

## Hanging Rock #7-10

## Acid Upper Perfs & Commingle w/Perfs Under CIBP July 22, 2004

LOCATION: NW/SE 7-T12S-R24E

API#: 43-047-33100

Uintah County, UT

TD: 4600'

PBTD: 2895'

KB: 14'

**Purpose of Work:** Acidize Perfs 2718'-2721' and 2724'-2740'. Remove CIBP @ 2895' and Commingle with Perforations 3232-36, 3253-61', 3314-18', 3397-3400', 3406-10' and 3466-70.

#### **CASING:**

9 5/8" 36# J-55 @ 534' in 12 1/4" hole

Halliburton Cemented with 300 sacks Premium Cement to surface.

4 1/2" 11.6# N-80 @ 4588' in 7 7/8" hole

Lead: 295 sxs Halliburton lite. Tail: 450 sxs Premium Class G

Circulated to surface.

#### **TUBING:**

2-11-04: NC, 2' tubing sub, 'XN', 1 joint tubing, 'X', 91 joints tubing. EOT = 2861'

#### **FORMATION TOPS:**

Uteland Butte:

2461'

Wasatch:

2562'

Mesaverde:

4002'

#### **COMPLETION HISTORY & PERFORATIONS:**

8-26-98: Perf 4161'-71' 4 spf 40 holes

8-27-98 *CIBP* (a) 4130' capped w/ 2sx cement

8-27-98 Perf 3978-88' & 4011-24' 4 spf. BD w/3% KCl, swabbed wet.

8-29-98 *CIBP* (a) 3970' capped w/ 1sk cement

8-29-98 Perf 3873-83' & 3919-24' 4spf. Individual BD w/3% KCl, swabbed wet.

9-1-98: CIPB@ 3848' capped w/ 1 sk cement

9-1-98 Perf 3742-49' 4spf. BD w/3% KCl. Swabbed wet.

9-3-98: CIBP @ 3710' capped w/ 1 sk cement

9-3-98: Perf 3581'-86' 4spf. BD w/3% KCl. Swab tight and wet.

9-8-98: CIBP @ 3510' capped w/ 1sk cement

9-8-98: Perf 3314'-18', 3397'-3400', 3406'-10' & 3466'-70' 4spf. Flowed 396 MCFGD natural. 1420 SITP overnight. BD w/3% KCl using ball sealers.

9-11-98: Perf 3232'-36' & 3253'-61' 4spf. Flowed 867 MCFGD natural. 1300

I:\Reed\Workover Procedures\HRF #7-10\Reed's HRF#7-10\_WO\_Acidize\_Procedure Rev2.docPage 1 of 2

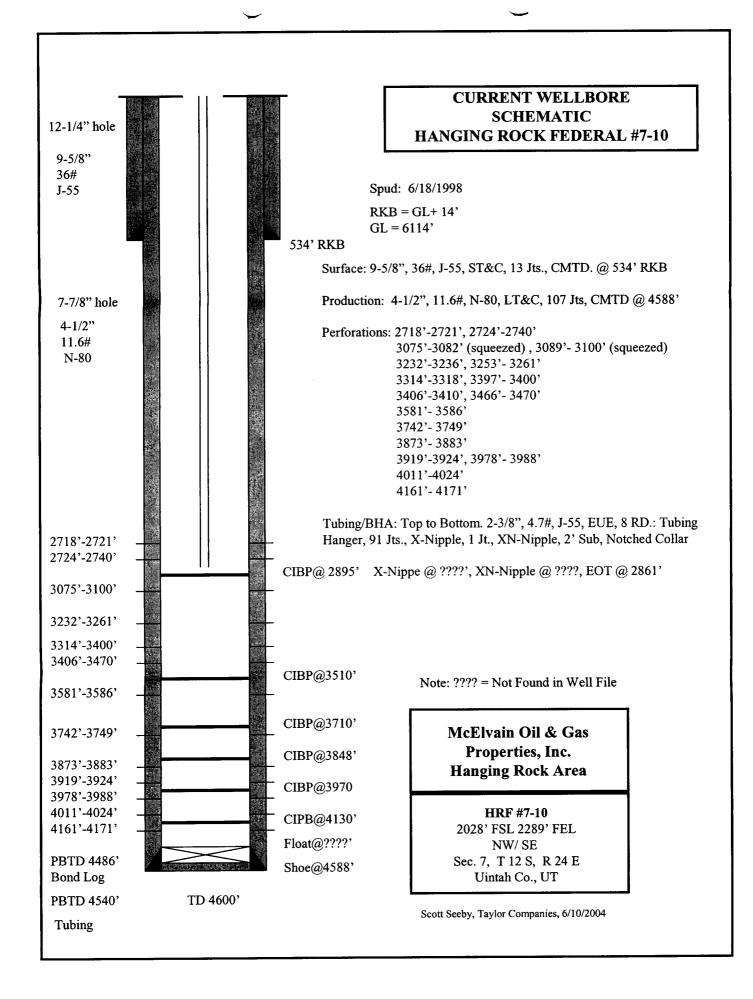
SICPovernight. Individual BD w/3% KCl. Flowed 590 MCFGD following BD w/load still left to recover.

- 9-15-98: Perf 3075'-82' & 3089'-3100' 4 spf. tested 5 bwph & tight after 3% KCl BD.
- 9-17-98: Squeeze 3075'-3100' w/retainer 50 sx Class G
- 9-22-98: Test squeeze to 2800#.
- 9-23-98: Perf 2718'-21' & 2724'-40' 4 spf. Flowed 1075 MCF following 3% KCL BD.
- 9-28-98: BHP Survey indicated 968 psi BHP.
- 7-1-02: 600/400. Set RBP @ 2850. Swab well & upper perfs dry
- 8/14/02: Halliburton perforation wash 2718-21' and 2724-40'.
- 2-7-03: 305/305 SITP/SICP. 6 month SI. Pull RBP.
- 2-8-03: SICP=450 psi. Set CIBP @ 2895'. Re-Perf. 2718'-21' & 2724'-40' 3 spf. BD w/8 bbls 3% KCL, pressure up to 1450 prior to break. Treat w/850# @ 3 BPM.
- 2/11/03: Load Recovered. 2 day SI = 160/120. Land EOT @ 2861'. RDMO.

### **PROCEDURE:**

- 1. Record casing pressure & shoot fluid level. Blow well down.
- 2. MIRU pulling unit.
- 3. ND tree & NU BOPE (have stripping head available).
- 4. PU tubing to tag PBTD. Tally out of hole. (Obtain scale samples, if any.)
- 5. TIW with full bore lok-set packer, X nipple, and tubing.
- 6. Set packer at  $\pm 2,800$  and pressure test CIBP and tubing to  $\pm 2000$  psi.
- 7. Swab tubing down. Release packer, PU & reset packer @ + 2675'.
- 8. Break perforations down with 650 gallons of 7-1/2% HCL acid as follows: Load tubing & establish pump-in before increasing rate to maximum achievable (± 5 BPM) prior to shutdown. Displace to bottom perf w/3% KCL. Acid Design to Follow.
- 9. Swab back acid as soon as possible. Bleed casing pressure to zero at end of day, release packer, and shut well in for night.
- 10. Depending on fluid entry and overnight shut-in pressures, continue swabbing or POOH and lay down packer.
- 11. RU sandline drill and drill out CIBP @ 2895. RD sandline drill.
- 12. MU and TIH w/NC, 1 joint tubing, 'X' nipple, and tubing. Chase CIBP debris to bottom.
- 13. PU off bottom and swab spent acid water from rathole.
- 14. PU and hang-off tubing for production. (Landing depth estimated @  $\pm$  3460 or  $\pm$  3315, depending on swab results).
- 15. ND BOPE & NUWH
- 16. Swab and Flow test well. Evaluate for compression, plunger lift or pumping unit.
- 17. RDMO pulling unit.

# NOTE: DO NOT USE LIQUID KCl SUBSTITUTE in COMPLETION FLUIDS



Form 3160-5 (September 2001)

# UN\_\_D STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires January 31, 2004

U-66426

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an

abandoned well. Use Form 3160 3 (APD) for such proposals

6. If Indian, Allottee or Tribe Name

5. Lease Serial No.

we usitopited we	an. Use rothi 3 100-3 (APD)	) for such proposals	•				
SUBMIT IN TR	7. If Unit or CA/Agreement, Name and/or No. Hanging Rock WS MV						
Oil Well  Gas Well    2. Name of Operator	8. Well Nam Hangi	e and No. ng Rock Federal #7-10					
McElvain Oil & Gas Properties, Inc.           3a. Address         3b. Phone No. (include area code)           1050 - 17th Street, Ste. 1800 Denver, Colorado 80265         303.893.0933				API Well No.     43-047-33100      10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  2028' FSL, 2289' FEL, NWSE Section 7, T12S-R24E					Oil Springs  11. County or Parish, State  Uintah, Utah		
12. CHECK AF	PROPRIATE BOX(ES) TO	INDICATE NATUR	RE OF NOTICE, R	EPORT, OR	OTHER DATA		
TYPE OF SUBMISSION		TY	PE OF ACTION				
<ul><li>Notice of Intent</li><li>Subsequent Report</li><li>Final Abandonment Notice</li></ul>	Alter Casing Casing Repair Change Plans	☐ Deepen ☐ Fracture Treat ☐ New Construction ☐ Plug and Abandon ☐ Plug Back	Production (Start Reclamation Recomplete Temporarily Ab Water Disposal	[	Water Shut-Off Well Integrity Other		
Attach the Bond under which t following completion of the inv	ectionally or recomplete harizontal he work will be performed or pro- volved operations. If the operation inal Abandonment Notices shall be	ly, give subsurface location vide the Bond No. on file results in a multiple comp	ns and measured and tra with BLM/BIA. Requi eletion or recompletion	ue vertical deptha ired subsequent r in a new interva	k and approximate duration thereofs of all pertinent markers and zones eports shall be filed within 30 days l, a Form 3160-4 shall be filed once hen completed, and the operator has		

McElvain Oil & Gas moved a rig onto the well on October 10, 2004, pulled the production tubing and ran a tubing set treating packer. The upper-most perforations from 2718-21' and 2724-40' were acidized with 500 gals of 15% HCL by BJ Services on October 11th. Following the treatment, the spent treating load was swabbed back to a tank and hauled to disposal. The acid was fully spent. The treating packer was pulled, the production tubing was re-run and subsequently landed between the perforations at 2725' (end of tubing). The well was placed on plunger and swabbed into production. The rig was released on October 14, 2004. Production has now been restored, and the well is now selling gas via plunger lift from the previously existing upper Wasatch perforations.

OCT 2 6 2004

DIV. OF OIL, GAS & MINING

		· · · · · · · · · · · · · · · · · · ·	
1	•		
Title	Operations Engineer		
Date	October 22, 2004		
AL OR	STATE OFFICE USE		
	Title	Date	
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.			
	Date	Date October 22, 2004  AL OR STATE OFFICE USE  Title	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Ferm 3160-5 (September 2001)

# UNIT \_\_ STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires January 31, 2004

# SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

UTU-66426
If Indian, Allottee or Tribe Name

Lease Serial No.

SUBMIT IN TRIPLICATE - Other instri	uctions on reverse side	7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well	DEVEN	Hanging Rock WS MV (UTU-73518B)
Oil Well  Gas Well  Other	MAR 0 4 2005	8. Well Name and No.
2. Name of Operator	- 2003	Hanging Rock Federal #7-10
McElvain Ôil & Gas Properties, Inc.	DIV. OF OIL GAS & MINING	9. API Well No.
3a. Address	3b. Phone No. finclude area code MINING	43-047-33100
050 - 17th Street, Ste. 1800 Denver, Colorado 80265	10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description	1)	Oil Springs
		11. County or Parish, State
2028' FSL, 2289' FEL, NWSE Section 7, T12S-R2	Uintah County, Utah	

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE. REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION ☐ Production (Start/Resume) Water Shut-Off ☐ Deepen ☐ Acidize Notice of Intent ☐ Fracture Treat Reclamation Well Integrity After Casing Other Install Central New Construction Recomplete Casing Repair Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Compression for 5 wells Final Abandonment Notice ☐ Plug Back Water Disposal Convert to Injection on 2 Federal Leases

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

McElvain Oil & Gas requests permission to install a gas compressor and gas meter on an existing wellsite pad in order to provide for centralized compression for 5 wells. 4 of the 5 wells are situated on Federal Lease #UTU-66426. These 4 wells include the Hanging Rock Federal #7-2, 7-6, 7-8 & 7-10 wells. The fifth well to be compressed is the Tucker Federal #8-12 well, which is situated on Federal Lease #UTU-70239. McElvain is requesting permission to install the new gas compressor and gas meter on the Hanging Rock Federal #7-6 location. No enlargement of the existing #7-6 wellsite battery pad will be required, although additional piping will be required within the existing boundaries of this pad in order to connect the new compressor and meter to the existing separator and gas pipeline. Only the #7-6 well pad will incur new construction. No new construction will be required on any of the 4 remaining well pads. The new "sales" meter will be installed downstream of the proposed compressor and 100% of the gross measured gas sales through this new "sales" meter will be proportionately credited to each of the 5 individual wells by utilizing the existing individual well meters as "allocation" meters. McElvain has hired a permitting specialist in order to comply with air quality permitting regulations. A spreadsheet listing pertinent individual well data, and a map are attached to facilitate identification of the well spots and pipe line layout.

						- 1
14. I hereby certify that the foregoing is true and correct						4
Name (Printed/Typed)				CON SEN	TO OPERATOR	Ž.
E, Reed Fischer	Title	Operations	Engineer	ule:	3-9-05	
				iois _	C#0-	
Signature & hard howh	Date	March 1, 2	2005			,4
THIS SPACE FOR FEDERA	L,OR	STATE OFF	SEVE THE	20 20 10 10 10 10 10 10 10 10 10 10 10 10 10		
Approved by		1 Hob	Division of		royal Of This	
		Titloii, Ga	s and Mini	ng Pederal App	Oval Of The	
Conditions of approval, if any, are attached. Approval of this notice does not warr certify that the applicant holds legal or equitable title to those rights in the subject	uiu m		diac	Action Is	Necessary	
which would entitle the applicant to conduct operations thereon.	Ď	office 3	8/03	7		
	<b>D</b>			10		13-24-4
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for a States any false, fictitious or fraudulent statements or representations as to any matter	ny pasy within it	n knowingly to s jurisdiction.	COMMISSION TO DOME	ean any dapartiner	n or agency of the	Linited

## McELVAIN OIL & GAS PROPERTIES, INC.

### 1050 17<sup>TH</sup> STREET SUITE 1800

### DENVER, COLORADO 80265

E. REED FISCHER
OPERATIONS ENGINEER
E-MAIL: REEDF@MCELVAIN.COM

TELEPHONE 303/893-0933 EXT. 330 FAX 303/893-0914

March 1, 2005

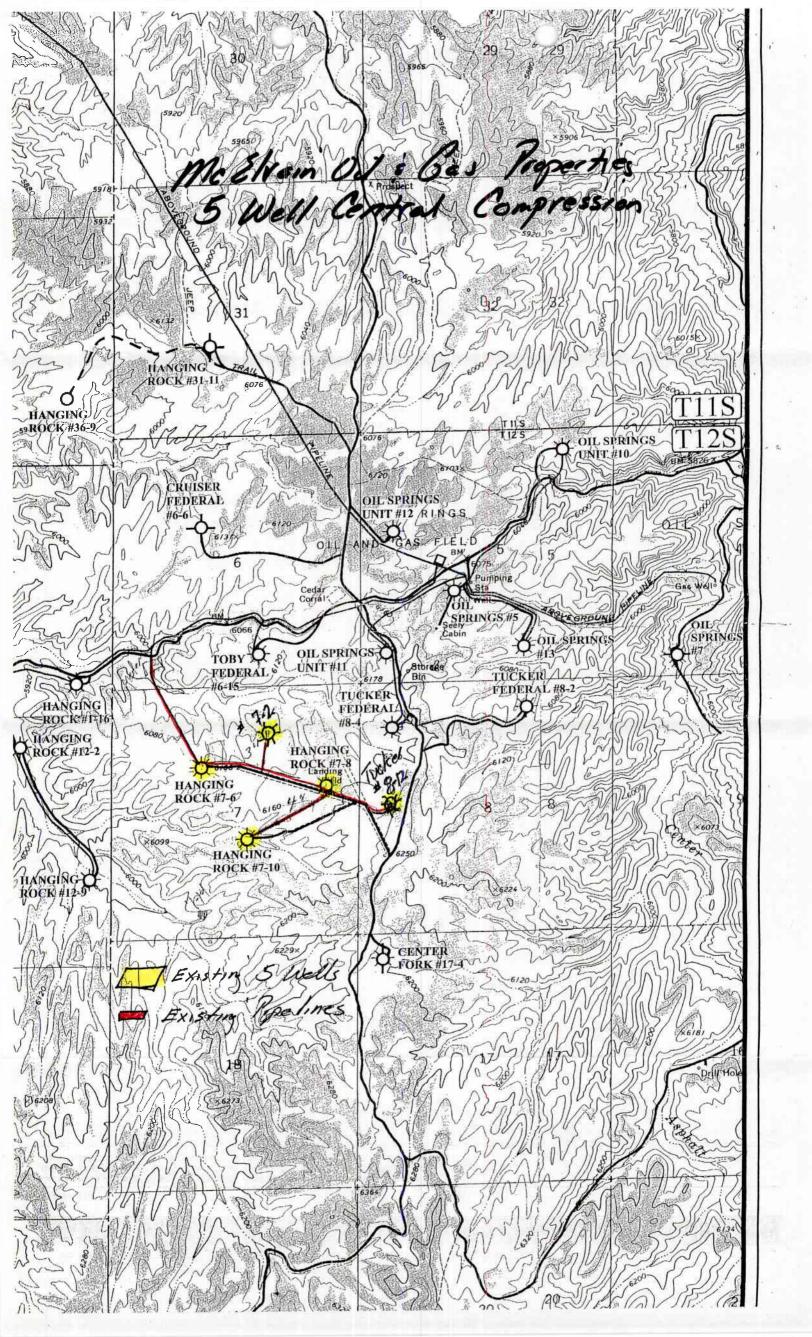
Central Compression Notes for 5 Wells in Hanging Rock Area Hanging Rock Federal #7-2, 7-6, 7-8, 7-10 and Tucker Federal #8-12 Federal Lease Nos: UTU-66426 & UTU-70239 Sections 7 & 8, T12S-R24E Uintah County, Utah

Please refer to the attached spreadsheet for more detail on the 5 gas wells we wish to compress through a centralized compressor to be installed on the Hanging Rock Federal #7-6 location.

- Currently, the wells produce an aggregate 360 MCFD (4 plunger lift & 1 rod pump).
- Following central compression of the 5 wells, aggregate daily production rate estimated at approximately 550 600 MCFGD against a 40 to 50 psi suction pressure.
- Two of the wells currently utilize wellhead compression (#7-6 & #7-8 wells).
- Anticipated maximum discharge pressure is estimated at 300 psi, average discharge pressure of 230 psi, lowest anticipated discharge pressure of 180 psi.
- All gas will be run through a conventional three-phase production unit prior to compression, with compression discharge into a de-hy. This production unit and de-hy combo is currently utilized on the #7-6 location.
- A central delivery point meter will be required down-stream of the compressor, and all existing on-site recorders will be utilized as allocation meters.
- BLM approval is required as the Tucker well in section 8 is on a separate lease (UTU-70239) from the remaining 4 wells in section 7 (UTU-66426).
- Tom Mark, a specialist in air-quality permitting, has been contracted to provide consultation and, if necessary, prepare air-quality permits.
- The Hanover Company will likely supply the reciprocating compressor. It currently appears that the likely compressor will be an Ariel JGQ 2 stage, 100 horsepower compressor powered by a CAT 3306TA engine. When a final decision is made pertinent information on equipment type, size, emissions, etc., will be forwarded.
- Depending on the success of this project, additional well connects to this compressor may be a possibility. Currently there are three existing wells in Section 8, and a 4<sup>th</sup> well is being permitted in the SENW of this section. There is the possibility that the current 5 well compressor set-up might become an 8 well set-up. Pre-approval will be obtained from the regulatory authorities prior to any alteration to the existing plan.
- Ivan Sadlier 435.828.0284 or 435.828.0282 manages our field operations in Utah and is the contact for any field operations questions.

I can be reached at 303.893.0933 extension 330 (office) or 303.981.2921 (cell). Thanks.

Reed Fischer Operations Engineer



UTU-66426 UTU-66426 UTU-66426	Well Name Hanging Rock Federal #7-2 Hanging Rock Federal #7-6 Hanging Rock Federal #7-8 Hanging Rock Federal #7-10 Tucker Federal #8-12	Well Location  NWNE Sec. 7, T12S-R24E  SENW Sec. 7, T12S-R24E  SENE Sec. 7, T12S-R24E  NWSE Sec. 7, T12S-R24E  NWSW Sec. 8, T12S-R24E	Station/Meter Number 70127 50290 10178 50284 70092	Meter Type EFM Dry Flow EFM EFM EFM	Ground Level <u>Elevation</u> 6,146 6,120 6,189 6,114 6,249	Gas <u>Gravity</u> 0.6093 0.5895 0.6031 0.6230 0.5832	Gas BTU <u>Content</u> 1075.1 1061.5 1077.9 1041.9	Producing Formations  2 Producing Wasatch Zones 5 Producing Wasatch Zones 4 Mesaverde & 4 Wasatch Zones 2 Producing Wasatch Zones 2 Producing Wasatch Zones	LIFT METHOD Plunger Plunger - Compression Pump - Compression Plunger Plunger Plunger	Current Rate (MCFGD) 35 80 25 120 100	Compression Expected Rate (MCFGD) 75 80 25 200 175
,								•	<b>.</b>	360	555

Form 3160-5 (February 2005)

## UNITED STATES DEPARTMENT OF THE INTERIOR

**BUREAU OF LAND MANAGEMENT** 

FORM APPROVED OMB No. 1004-0137

	CIVID 110. 1004-013
	Expires: March 31, 20
5. Lease Serial No.	
UTU-70239	

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this abandoned well.	form for proposals to Use Form 3160-3 (Al	n ils.	N/A				
SUBMI	T IN TRIPLICATE - Other i	instructions on page 2.		7. If Unit of CA/Agree	ment, Name and/or No.		
Oil Well  Gas V	Vell Other			8. Well Name and No. Hanging Rock Field	Central Compression-see well list		
2. Name of Operator McElvain Oil & Gas Properties, Inc.	43.04	1.33100		9. API Well No. Refer to attachment	for list of wells		
a. Address 050 17th Street, Suite 1800, Denver, CO 8026	65	3b. Phone No. <i>(include area co</i> (303) 893-0933	ode)	10. Field and Pool or E Oil Springs	xploratory Area		
Location of Well (Footage, Sec., T., lefer to attachment for list of wells	R.,M., or Survey Description)	24E 7		11. Country or Parish, Uintah County, Utah			
12. CHEC	CK THE APPROPRIATE BOX	K(ES) TO INDICATE NATUR	RE OF NOTIC	CE, REPORT OR OTHE	ER DATA		
TYPE OF SUBMISSION		TY	YPE OF ACT	ION			
Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat		uction (Start/Resume)	Water Shut-Off Well Integrity		
Subsequent Report Casing Repair Change Plans		New Construction Re		omplete porarily Abandon	Other Install pipeline to		
Final Abandonment Notice	Convert to Injection	Plug Back	· ,	er Disposal	central compression		
3. Describe Proposed or Completed O the proposal is to deepen direction. Attach the Bond under which the v following completion of the involved testing has been completed.	vork will be performed or prov	, give subsurface locations and ide the Bond No. on file with I	d measured ar BIM/BIAR	id true vertical depths of	arts must be filed within 20 days		

McElvain Oil & Gas Properties, Inc. would like to expand the existing central compression facilities in our Hanging Rock Field by laying approximately ± 3,043 feet of 4" steel pipe line in order to connect 3 additional wells to our current 5 well central compression system. No additional surface disturbance is necessary as the central delivery point meter and compressor are already in place. The 3 additional wells, situated on federal lease # UTU-70239, consist of the Tucker Federal #8-2, Tucker Federal #8-4, and Tucker Federal #8-6 wells. The existing central compression system is currently comprised of the Tucker Federal # 8-12 well, also on federal lease # UTU-70239, and 4 wells on federal lease # UTU-66426 including the Hanging Rock Federal # 7-2, 7-6, 7-8 and 7-10 wells. The new pipe line would lie on cap rock, above ground and adjoin the existing road. A map is attached indicating well spots and the pertinent proposed and existing pipe lines. Also attached is a detailed letter explaining the proposed project and a list wells that will make up the central compression system.

testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has

determined that the site is ready for final inspection.)

RECEIVED

	MAI	2 4 2007
I hereby certify that the foregoing is true and correct.     Name (Printed/Typed)  Barbara Martin	DIV. OF OII	-, GAS & MINING
Signature Barbyon Months	Date 05/11/2007	
THIS SPACE FOR FEDE	RAL OR STATE OFFICE USE	
Approved by	Accepted by the TitlUtah Division of Date Action	pproval Of This Is Necessary
Conditions of approval, if any, are attached. Approval of this notice does not warrant or of that the applicant holds legal or equitable title to those rights in the subject lease which we entitle the applicant to conduct operations thereon.	artifu att Coc 2000	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any p fictitious or fraudulent statements or representations as to any matter within its jurisdictio (Instructions on page 2)	By:	f the United States any false,

## McELVAIN OIL & GAS PROPERTIES, INC.

1050 17" STREET
SUITE 1800

### DENVER, COLORADO 80265

BARBARA MARTIN ENGINEER E-MAIL: BARBARAM@MCELVAIN.COM TELEPHONE 303/893-0933 EXT. 345 FAX 303/893-0914

May 11, 2007

McElvain Oil & Gas Properties, Inc. would like to expand our Hanging Rock Field central compression system. Expansion of the system can be accomplished with no additional surface disturbance by laying ± 3,043 feet of 4" welded, steel pipe line above ground and along an existing road right-of-way. This pipe line is necessary to connect an additional 3 producing wells (Tucker Federal # 8-2, Tucker Federal # 8-4 and Tucker Federal # 8-6) to our existing 5 well central compression system currently servicing our Hanging Rock Federal # 7-2, Hanging Rock Federal # 7-6, Hanging Rock Federal # 7-8, Hanging Rock Federal # 7-10 and the Tucker Federal # 8-12 wells. Please see the attached plat. Expansion of this system will enhance the efficiency of the existing central compressor, spread operating costs from 5 to 8 wells, lower abandonment pressures and increase ultimate gas reserves by providing for greater draw down and a lower productive economic limit. An additional benefit of this proposed expansion would be the release an exiting individual wellhead compressor and the subsequent reduction in area gas emissions by an estimated 6 tons/year.

Miscellaneous notes on this proposed project are as follows

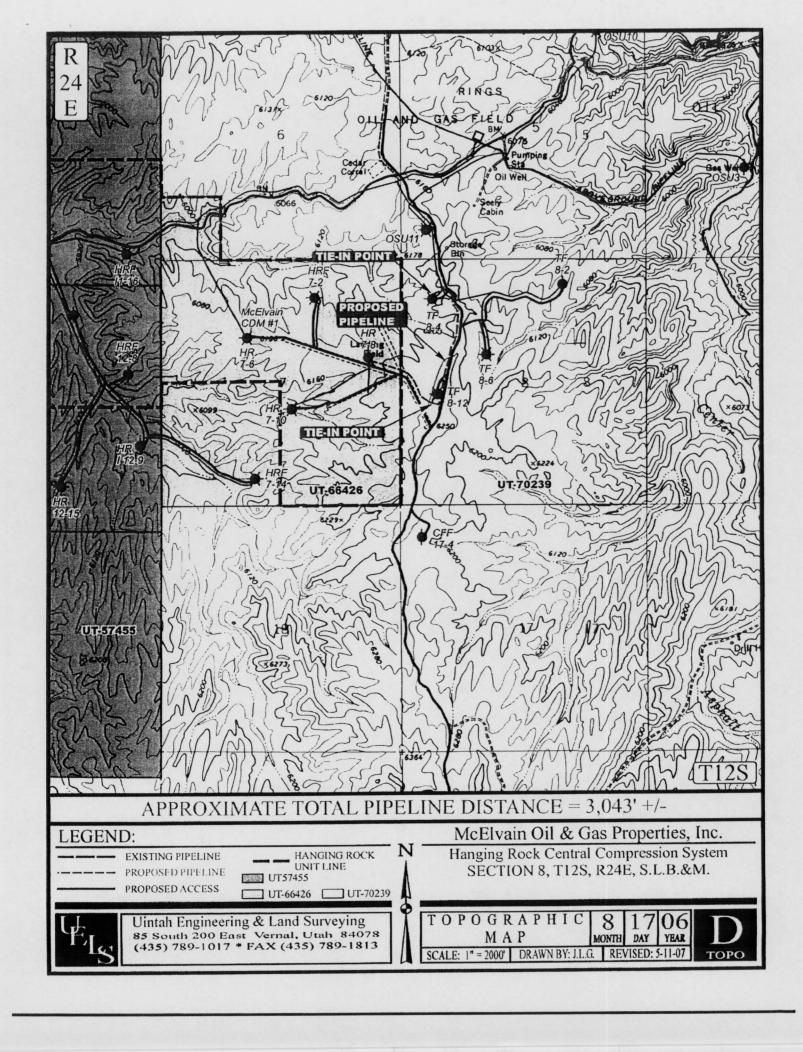
- The required ± 3,043 feet of new pipe line will not cross any lease lines and will run between the Tucker # 8-4 and Tucker # 8-12 wells in Section 8, T12S-R24E.
- Installation is estimated to take 2 days and can be conducted from the existing road right-of-way. The pipe line will lie above ground and on cap rock. The construction of this line will entail no additional surface disturbance. The pipe line route was surveyed and an on-site review conducted by McElvain's Ivan Sadlier and the BLM's Amy Torres and Holly Villa.
- The existing central compression facility is situated on our Hanging Rock # 7-6 well-pad which is located within the boundaries of our Hanging Rock Unit. The facility includes a 100 horsepower gas compressor and a central delivery point (CDP) meter. The existing facility can easily handle the estimated 600 MCFGD of additional, anticipated gas throughput. No facility upgrade is required.
- Gas sales volumes and associated sales revenues attributable to each of the 8 wells behind this CDP meter will be determined and/or allocated as follows:
  - O Non-Unit wells in Section 8 (Tucker 8-2, 8-4, 8-6 and 8-12) will be paid on a "lease basis". The reported gas volume and the associated revenue settlement for each non-unit well will be determined by direct measurement from each non-unit well's individual well-site meter. The sum of these 4 individual, non-unit well-site measured meter volumes will be defined as the "aggregate lease basis" volume.
  - Unit wells in Section 7 (Hanging Rock 7-2, 7-6, 7-8 and 7-10) will be paid according to their allocated share of the "Unit basis" volume. "Unit basis" volume is defined as "CDP meter volume minus aggregate lease basis volume". Each unit well will utilize its existing well-site meter as an "allocation meter" to determine its proportionate share of the "Unit basis" volume.
- Royalty ownership is identical for all 8 wells. The U.S. Minerals Management Service is the only royalty owner with a 12.5% royalty interest in all 8 wells.
- The wellhead compressor currently operating on the Tucker # 8-4 well-site will be released following expansion of the current system. Removal of this individual wellhead compressor will reduce area gas emissions by more than 6 tons/year.

Sincerely,

Barbara Martin

# McElvain Oil and Gas Properties, Inc. Proposed Well Connects to Hanging Rock Central Compression System

Lease				Station/Meter	
Number	Well Name	<u>API #</u>	Well Location	<u>Number</u>	<u>Remarks</u>
	McElvain CDM #1	N/A	SENW Sec. 7, T12S-R24E	70214	Existing Sales Meter for Hanging Rock Central Compression System
UTU-66426	Hanging Rock Federal #7 - 2	43-047-35084	NWNE Sec. 7, T12S-R24E	70127	Existing Hanging Rock Central Compression System Well
UTU-66426	Hanging Rock Federal #7 - 6	43-047-32751	SENW Sec. 7, T12S-R24E	50290	Existing Hanging Rock Central Compression System Well
UTU-66426	Hanging Rock Federal # 7 - 8	43-047-32937	SENE Sec. 7, T12S-R24E	10178	Existing Hanging Rock Central Compression System Well
UTU-66426	Hanging Rock Federal #7 - 10	43-047-33100	NWSE Sec. 7, T12S-R24E	50284	Existing Hanging Rock Central Compression System Well
UTU-70239	Tucker Federal # 8 - 12	43-047-34729	NWSW Sec. 8, T12S-R24E	70092	Existing Hanging Rock Central Compression System Well
UTU-70239	Tucker Federal # 8 - 2	43-047-32993	NWSW Sec. 8, T12S-R24E	50240	Proposed Addition to Hanging Rock Central Compression System
UTU-70239	Tucker Federal # 8 - 4	43-047-32872	NWSW Sec. 8, T12S-R24E	10027	Proposed Addition to Hanging Rock Central Compression System
UTU-70239	Tucker Federal # 8 - 6	43-047-36837	NWSW Sec. 8, T12S-R24E	70368	Proposed Addition to Hanging Rock Central Compression System



## Form 3160-5 (April 2004)

## UNITED STATES

Form 3160-5 (April 2004)	UNITED STATES DEPARTMENT OF THE	FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007				
	BUREAU OF LAND MANA	AGEMENT		5. Lease Serial No.		
SUNDR	UTU-66426					
Do not use a abandoned s	6. If Indian, Allottee or Tribe Name na					
	RIPLICATE- Other instr	uctions on revers	e side.	7. If Unit or CA/Agreement, Name and/or No.  Hanging Rock Unit (UTU-073518X)		
1. Type of Well Oil Well 🗆	✓ Gas Well□□ Other			8. Well Name and No.		
2. Name of Operator McElvain (	Dil & Gas Properties, Inc.			Hanging Rock Federal # 7 - 10  9. API Well No.		
3a. Address 1050 - 17th Street, Suite 1800	Denver, Colorado 80265	3b. Phone No. (include of 303.893.0933	area code)	43-047-33100  10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec	c., T., R, M., or Survey Description)			Oil Springs		
2,028' FSL & 2,289' FEL (N	WSE) Sec. 7, T12S-R24E SLB&	M		11. County or Parish, State Uintah County, Utah		
12. CHECK	APPROPRIATE BOX(ES) TO	INDICATE NATURE	E OF NOTICE, F	REPORT, OR OTHER DATA		
TYPE OF SUBMISSION		TYP	E OF ACTION			
Notice of Intent	Acidize Alter Casing Casing Repair	Production (Single Reclamation Recomplete	tart/Resume)			
Subsequent Report	Change Plans	New Construction Plug and Abandon	Temporarily A			
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal	I		
If the proposal is to deepen de Attach the Bond under which following completion of the testing has been completed, determined that the site is rea.  The referenced well had production. The well referenced well had the site is really to the site in the site is really to the site is rea	lirectionally or recomplete horizontall high the work will be performed or provinvolved operations. If the operation Final Abandonment Notices shall be ady for final inspection.)  I been shut-in for longer than 90 esumed production on Wednesda	y, give subsurface location de the Bond No. on file we results in a multiple completion only after all requirent days. This sundry notion	s and measured and tr ith BLM/BIA. Requi- etion or recompletion nents, including reclar ice of intent is subr	any proposed work and approximate duration thereof.  rue vertical depths of all pertinent markers and zones.  red subsequent reports shall be filed within 30 days  in a new interval, a Form 3160-4 shall be filed once mation, have been completed, and the operator has  nitted to notify the BLM of the resumption of		
<ol> <li>I hereby certify that the formula (Printed/Typed)</li> </ol>	oregoing is true and correct	İ				
E. Reed Fisch	er	Title Se	nior Operations E	ngineer		
Signature Signature	free	Date		11/20/2009		
	THIS SPACE FOR	FEDERAL OR S	TATE OFFICI	EUSE		

certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Title

Office

(Instructions on page 2)

Approved by
Conditions of approval, if any, are attached. Approval of this notice does not warrant or

Date

# Division of Oil, Gas and Mining OPERATOR CHANGE WORKSHEET

(for state use only)

R	OUTING	
1.	CDW	

Change of Operator (Well Sold)				X - Operator Name Change					
The operator of the well(s) listed below has changed, effective:					8	/11/2011			
						uite 2500			
Phone: 1 (303) 893-0933				Phone: 1 (303)	893_0933				
CA No.				Unit:	0,5 0,55	HANGIN	G ROCI	ζ	
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
SEE ATTACHED LIST - 9 Wells									
OPERATOR CHANGES DOCUMENTATION  Enter date after each listed item is completed  1. (R649-8-10) Sundry or legal documentation was received from the FORMER operator on:  2. (R649-8-10) Sundry or legal documentation was received from the NEW operator on:  8/30/2011									
3. The new company was checked on the <b>Departs</b>		of Cor	nmerce	, Division of Co	orporations	Database o	n:	8/30/2011	
4a. Is the new operator registered in the State of U	Jtah:			Business Numb	er: 8	078926-014	3		
5a. (R649-9-2)Waste Management Plan has been re	ceive	d on:			2		20		
5b. Inspections of LA PA state/fee well sites compl	lete o	n:		n/a					
5c. Reports current for Production/Disposition & S	undri	es on:		ok					
6. Federal and Indian Lease Wells: The BL	M an	d or th	e BIA h	as approved the	merger, na	me change,			
or operator change for all wells listed on Federa	al or I	ndian l	leases o	n:	<u>BL</u> M	not yet	BIA		
7. Federal and Indian Units:									
The BLM or BIA has approved the successor						not yet			
8. Federal and Indian Communization Ag									
The BLM or BIA has approved the operator i						n/a			
9. Underground Injection Control ("UIC"	,			vision has appro			sfer of A	uthority to	
Inject, for the enhanced/secondary recovery un	it/pro	ject for	r the wa	iter disposal wel	l(s) listed of	n:	<u>n/a</u>		
DATA ENTRY:									
<ol> <li>Changes entered in the Oil and Gas Database</li> <li>Changes have been entered on the Monthly Op</li> <li>Bond information entered in RBDMS on:</li> <li>Fee/State wells attached to bond in RBDMS on</li> <li>Injection Projects to new operator in RBDMS of</li> <li>Receipt of Acceptance of Drilling Procedures for</li> </ol>	erato : on:			8/31/2011 read Sheet on: n/a n/a n/a	8/30/2011	8/31/2011	R		
BOND VERIFICATION:									
1. Federal well(s) covered by Bond Number:			,	COB000010					
<ul><li>2. Indian well(s) covered by Bond Number:</li><li>3a. (R649-3-1) The NEW operator of any fee well</li></ul>	1663-14	stad as	vered L	n/a		<b>m</b> /a			
						n/a			
3b. The FORMER operator has requested a release LEASE INTEREST OWNER NOTIFIC			irom th	ieir bond on:	n/a				
			on or :- 1	antad cord to Co	1 1	6. 4 3	Di		
4. (R649-2-10) The <b>FORMER</b> operator of the fee of their responsibility to notify all interest owner					ned by a left n/a	er irom the l	DIVISION		
COMMENTS:	3 OI L	mo cito	inge on.		II/a				

STATE OF UTAH		FORM 9
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING	5. LEAS	E DESIGNATION AND SERIAL NUMBER:
SUNDRY NOTICES AND REPORTS ON W	ELLS 6. IF INC	DIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-ho drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such pr	e depth, reenter plugged wells, or to	or CA AGREEMENT NAME:
OIL WELL GAS WELL OTHER	1	NAME and NUMBER: ATTACHED LIST
NAME OF OPERATOR:  McElvain Oil & Gas Properties, Inc.  N∂ 1 00	9. API N	IUMBER:
B. ADDRESS OF OPERATOR: 1050 17th St , Suite 2500 CITY Denver STATE CO ZIP 80265	PHONE NUMBER: 10. FIEL (303) 893-0933	D AND POOL, OR WILDCAT:
LOCATION OF WELL		W.V. Communication
FOOTAGES AT SURFACE:	COUNTY	<b>r</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	STATE:	UTAH
1. CHECK APPROPRIATE BOXES TO INDICATE NATU	RE OF NOTICE, REPORT, OF	R OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	· · · · · · · · · · · · · · · · · · ·
NOTICE OF INTENT		REPERFORATE CURRENT FORMATION
		SIDETRACK TO REPAIR WELL
		TEMPORARILY ABANDON
		TUBING REPAIR
¬		VENT OR FLARE
(Submit Original Form Only)		WATER DISPOSAL
Date of work completion:	UCTION (START/RESUME)	WATER SHUT-OFF
COMMINGLE PRODUCING FORMATIONS RECL	AMATION OF WELL SITE	OTHER:
CONVERT WELL TYPE RECO	MPLETE - DIFFERENT FORMATION	
2. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent deta McElvain Oil & Gas Properties, Inc. has changed it's name to McElvain is ONLY a name change.  Our BLM Bond # is COB - 000010  Attached is a well list.		gust 11, 2011.
NAME (DI EASE BRINT) Deborah Powell	TITLE Eng Tech Manager	
SIGNATURE DEBOTATI OWEIL	DATE 8/29/2011	

(This space for State, use only APPROVED 8/3/1/30/1

Coulcul Russell

Division of Oil, Gas and Mining

(5/2000) Earlene Russell, Engineering Technician (See Instructions on Reverse Side)

**RECEIVED** 

AUG 3 0 2011

DIV. OF OIL, GAS & MINING

## Hanging Rock Unit Wells

HANGING ROCK FEDERAL 24-13	24	110S	230E	4304732603	11723	Federal	GW	P	UTU-66408
HANGING ROCK FEDERAL I 1-16	01	120S	230E	4304732679	11889	Federal	GW	P	UTU-57455
HANGING ROCK FEDERAL I 12-4	12	120S	230E	4304732748	11889	Federal	GW	P	UTU-57455
HANGING ROCK FEDERAL F 7-6	07	120S	240E	4304732751	11889	Federal	GW	P	UTU-66426
HANGING ROCK FEDERAL I 1-14	01	120S	230E	4304732871	11889	Federal	GW	P	UTU-57455
HANGING ROCK I 11-8	11	120S	230E	4304732935	12306	Federal	GW	P	UTU-47455
HANGING ROCK FED F 7-8	07	120S	240E	4304732937	12305	Federal	GW	S	UTU-66426
HANGING ROCK F 7-10	07	120S	240E	4304733100	12400	Federal	GW	P	UTU-66426
HANGING ROCK FED 7-2	07	120S	240E	4304735084	14019	Federal	GW	P	UTU-66426

## Division of Oil, Gas and Mining

## **OPERATOR CHANGE WORKSHEET (for state use only)**

ROUTING	
CDW	

X - Change of Operator (Well Sold)			Operator Name Change/Merger					
The operator of the well(s) listed below has changed, effective:					8/1/2014			
FROM: (Old Operator): McElvain Energy, Inc. N3795 1050 17th Street, Suite 2500 Denver, CO 80265			TO: ( New O Onshore Roya P.O. Box 2326 Victoria, TX 7	ew Operator): Royalties, LLC N4140 2326				
303-893-0933			361-570-1600					
CA No.			Unit:	Haning R	ock			
WELL NAME	SEC TV	WN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS	
See Attached List								
OPERATOR CHANGES DOCUMENT.  Enter date after each listed item is completed  1. (R649-8-10) Sundry or legal documentation wa  2. (R649-8-10) Sundry or legal documentation wa  3. The new company was checked on the Departs  4a. Is the new operator registered in the State of U	r on:	8/14/2014 8/14/2014 s Database on: 9116573-0161		8/15/2014				
5a. (R649-9-2)Waste Management Plan has been re 5b. Inspections of LA PA state/fee well sites comp	ceived o	n:	N/A N/A	_		•		
5c. Reports current for Production/Disposition & S	8/15/2014	_						
6. Federal and Indian Lease Wells: The BL	M and o	r the BIA l	nas approved th	e merger, na	me change,			
or operator change for all wells listed on Federa	al or Indi	an leases o	on:	BLM	Not Yet	BIA	_ N/A	
7. Federal and Indian Units:								
The BLM or BIA has approved the successor		_		1:	Not Yet	-		
8. Federal and Indian Communization Ag								
The BLM or BIA has approved the operator					N/A	•		
9. Underground Injection Control ("UIC"	•	-				•		
Inject, for the enhanced/secondary recovery un DATA ENTRY:	it/projec	t for the w	ater disposal we	ell(s) listed o	on:	<u>N/A</u>	_	
			9/15/2014					
<ol> <li>Changes entered in the Oil and Gas Database</li> <li>Changes have been entered on the Monthly Oil</li> </ol>		^hanσe Sr		<del>-</del>	9/15/2014			
3. Bond information entered in RBDMS on:	ociutoi (	onunge of	N/A	•	<u> </u>	-		
4. Fee/State wells attached to bond in RBDMS on	:		N/A					
5. Injection Projects to new operator in RBDMS of			N/A					
6. Receipt of Acceptance of Drilling Procedures f			N/A	•				
7. Surface Agreement Sundry from NEW operator	ells received on:		N/A	-				
BOND VERIFICATION:			T. T. T. T. C. C. C. A. A.					
1. Federal well(s) covered by Bond Number:	UTB000644	_						
<ol> <li>Indian well(s) covered by Bond Number:</li> <li>(R649-3-1) The NEW operator of any state/fee well(s) listed covered by Bond Number</li> </ol> N/A								
LEASE INTEREST OWNER NOTIFIC		=	nen bond on:	N/A	-			
	4. (R649-2-10) The <b>NEW</b> operator of the fee wells has been contacted and informed by a letter from the Division							
of their responsibility to notify all interest owners of this change on:  N/A								
COMMENTS:	.5 01 11115	Thungs Of		14/11				

## McElvain Energy, Inc N3795 to Onshore Royalties, LLC. N4140 Effective 8/1/2014

Well Name	Section	TWN	RNG	API Number	Entity	Mineral	Well	Well	Unit
						Lease	Type	Status	
HANGING ROCK FEDERAL 24-13	24	110S	230E	4304732603	11723	Federal	GW	P	HANGING ROCK
HANGING ROCK FEDERAL I 1-16	1	120S	230E	4304732679	11889	Federal	GW	P	HANGING ROCK
HANGING ROCK FEDERAL I 12-4	12	120S	230E	4304732748	11889	Federal	GW	P	HANGING ROCK
HANGING ROCK FEDERAL F 7-6	7	120S	240E	4304732751	11889	Federal	GW	P	HANGING ROCK
TOBY FEDERAL F 6-15	6	1208	240E	4304732757	12037	Federal	GW	P	
HANGING ROCK FEDERAL I 1-14	I	120S	230E	4304732871	11889	Federal	GW	P	HANGING ROCK
TUCKER FEDERAL F 8-4	8	120S	240E	4304732872	12125	Federal	GW	P	
HANGING ROCK I 11-8	11	120S	230E	4304732935	12306	Federal	GW	P	HANGING ROCK
HANGING ROCK F 7-10	7	120S	240E	4304733100	12400	Federal	GW	P	HANGING ROCK
HANGING ROCK FED 11-9	11	120S	230E	4304734730	14017	Federal	GW	P	*
HANGING ROCK 1-8	1	120S	230E	4304736042	15514	Federal	GW	P	
TUCKER FED 8-6	8	120S	240E	4304736837	15513	Federal	GW	P	,
CENTER FORK F 17-4	17	120S	240E	4304732750	12038	Federal	GW	S	
ROSEWOOD FED 28-8	28	1108	220E	4304732840	12442	Federal	GW	S	•
HANGING ROCK FED I 1-4	1	120S	230E	4304732855	12389	Federal	GW	S	
HANGING ROCK FED F 7-8	7	120S	240E	4304732937	12305	Federal	GW	S	HANGING ROCK
TUCKER FEDERAL F 8-2	8	120S	240E	4304732993	12386	Federal	GW	S	
TUCKER FED 8-12	8	1208	240E	4304734729	13740	Federal	GW	S	
HANGING ROCK FED 7-2	7	1208	240E	4304735084	14019	Federal	GW	S	HANGING ROCK
TUCKER FED 8-10	8	120S	240E	4304739187	16399	Federal	GW	S	
HANGING ROCK FED 1-2	1	120S	230E	4304739430	16400	Federal	GW	S	

AUG 1 4 2014

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OU. GAS AND MINING

FORM 9

l	DIVISION OF OIL, GAS AND MI	DTV. OF O	L, GAS & MINING	5. LEASE DESIGNATION AND SERIAL NUMBER
SUNDRY	NOTICES AND REPORTS	S ON WEL	LS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill ne drill horizontal la	ew wells, significantly deepen existing wells below cur terals. Use APPLICATION FOR PERMIT TO DRILL f	rrent bottom-hole dept form for such proposal	h, reenter plugged wells, or to	7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL	GAS WELL OTHER		<u></u>	8. WELL NAME and NUMBER:
2. NAME OF OPERATOR:				Attached  9. API NUMBER:
McElvain Energy, Inc.	N3795			
3. ADDRESS OF OPERATOR: 1050 17th St, Suite 2500	Denver STATE CO ZIP	,80265	PHONE NUMBER:	10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL	SIAIC ZIE			
FOOTAGES AT SURFACE:				COUNTY:
QTR/QTR, SECTION, TOWNSHIP, RANG	GE, MERIDIAN:			STATE: UTAH
11. CHECK APPR	ROPRIATE BOXES TO INDICAT	TE NATURE (	OF NOTICE, REPO	ORT, OR OTHER DATA
TYPE OF SUBMISSION		TY	PE OF ACTION	
NOTICE OF INTENT	ACIDIZE	DEEPEN		REPERFORATE CURRENT FORMATIO
(Submit in Duplicate)	ALTER CASING	FRACTURE	TREAT	SIDETRACK TO REPAIR WELL
Approximate date work will start:	CASING REPAIR	NEW CONS	TRUCTION	TEMPORARILY ABANDON
	CHANGE TO PREVIOUS PLANS	OPERATOR	CHANGE	TUBING REPAIR
	CHANGE TUBING	PLUG AND A	ABANDON	VENT OR FLARE
SUBSEQUENT REPORT	CHANGE WELL NAME	PLUG BACK		WATER DISPOSAL
(Submit Original Form Only)	CHANGE WELL STATUS	PRODUCTIO	ON (START/RESUME)	WATER SHUT-OFF
Date of work completion:	COMMINGLE PRODUCING FORMATIONS	RECLAMATI	ON OF WELL SITE	OTHER:
	CONVERT WELL TYPE	RECOMPLE	TE - DIFFERENT FORMATION	1
12 DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly show all p	nertinent details inc	duding dates depths valur	mes etc
	rent operator of the attached well			
Onshore Royalties, LLC				
P.O. Box 2326				
Victoria, TX 77902				
N4140				
Utah Operator # N4140	·			
Effective 8/1/2014				
		*	6	
McElvain Energy, Inc.		<u>Ons</u>	shore Royalties, LL	C.
Ant She	to		16-	
Ctover W Chafte	/	8.4:	ahaal Ilaha	•
Steven W. Shefte Vice President -COO			chael Hahn perations Manager	•
vioo viooidoni ooo	•	Ď	SIM Box	1: LITRAKALILII
Daharat D	laall		For Took Ma	
NAME (PLEASE PRINT) Deborah P	owell	TITLI	Eng Tech Mana	ger
SIGNATURE Well K	: O andy	DATE	8/13/2014	
(This space for State use only)	,		<i>2</i> 7.	

APPROVED

SEP 1 5 2014

# State of Utah Department of Natural Resources Division of Oil, Gas & Mining

**Change of Operator** 

From McElvain Energy, LLC (N3795) To: Onshore Royalties, LLC (N4140)

Well Name	API	Legal	Status	Well Type	Utah ID	BLM ID
			_			
Center Fork F 17-4	43-047-32750	T12S R24E Sec 17 NWNW	S	GW	12038	
Hanging Rock Fed 11-9	43-047-34730	T12S R23E Sec 11 NESE	Р	GW	14017	UTU57455
Hanging Rock Fed 1-2	43-047-39430	T12S R23E Sec 1 NWNE	S	GW	16400	UTU57455
Hanging Rock Fed 1-8	43-047-36042	T12S R23E Sec 1 SENE	Р	GW	15514	UTU57455
Hanging Rock Fed 7-2	43-047-35084	T12S R24E Sec 7 NWNE	S	GW	14019	UTU73518B
Hanging Rock Fed   1-14	43-047-32871	T12S R23E Sec 1 SESW	P	GW	11889	UTU73518B
Hanging Rock Fed 24-13	43-047-32603	T11S R23E Sec 24 SWSW	Р	GW	11723	UTU73518A
Hanging Rock Fed 7-6	43-047-32751	T12S R24E Sec 7 SENW	Р	GW	11889	UTU73518B
Hanging Rock Fed 7-8	43-047-32937	T12S R24E Sec 7 SENE	S	GW	12305	UTU73518B
Hanging Rock Fed F 7-10	43-047-33100	T12S R24E Sec 7 NWSE	Р	GW	12400	UTU73518B
Hanging Rock Fed I 1-16	43-047-32679	T12S R23E Sec 1 SESE	Р	GW	11889	UTU73518B
Hanging Rock Fed I 11-8	43-047-32935	T12S R23E Sec 11 SENE	Р	GW	12306	UTU73518B
Hanging Rock Fed I 1-4	43-047-32855	T12S R23E Sec 1 NWNW	S	GW	12389	UTU57455
Hanging Rock Fed I-12-4	43-047-32748	T12S R23E Sec 12 NWNW	Р	GW	11889	UTU73518B
Rosewood Fed 28-8	43-047-32840	T11S R22E Sec 28 SENE	S	GW	12442	UTU65355
Toby Federal F 6-15	43-047-32757	T12S R24E Sec 6 SWSE	P	GW	12037	UTU08424A
Tucker Fed 8-10	43-047-39187	T12S R24E Sec 8 NWSE	S	GW	16399	UTU70239
Tucker Fed 8-12	43-047-34729	T12S R24E Sec 8 NWSW	S	GW	13740	UTU70239
Tucker Fed 8-6	43-047-36837	T12S R24E Sec 8 SENW	P	GW	15513	UTU70239
Tucker Fed F 8-2	43-047-32993	T12S R24E Sec 8 NWNE	P	GW	12386	UTU70239
Tucker Fed F 8-4	43-047-32872	T12S R24E Sec 8 NWNW	Р	GW	12125	UTU70239